Interview with Carl Edward Dillery

The Association for Diplomatic Studies and Training Foreign Affairs Oral History Project

AMBASSADOR CARL EDWARD DILLERY

Interviewed by: Charles Stuart Kennedy

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Q: Today is March 2, 1994 and this is an interview with Carl Edward Dillery, who goes by Ed, on behalf of the Association for Diplomatic Studies, and I am Charles Stuart Kennedy. Ed, could you tell me about your background—you were born in 1930, where you grew up, a little about your family and your education.

DILLERY: I was born and raised and totally educated in Seattle, Washington. I came from a family that was half Norwegian. The other half was sort of a motley crew but the name “Dillery” was actually Alsatian. It was “Delarou” when the family immigrated. I think they came basically to escape the troubles in Alsace around the time of the War of 1870. The family were glass blowers.

My education was in a Scandinavian part of the city of Seattle, and my mother still lives in the same house I grew up in. I ended up going to a small church-related school, Seattle Pacific University, where I majored in history and got my bachelor's degree.

I ended up in the Foreign Service by accident. The Department of State was recruiting but they didn't bother to have a meeting with any possible candidates at SPU — the recruiter dropped off literature in the history department, which consisted of two teachers. I was

very close to one of them. He said, “You might be interested in this,” and gave me the recruiting pamphlet. And here I am.

Q: Had you ever thought about the Foreign Service before that?

DILLERY: I had not. The two things I concentrated on were European and American history so I had some feeling for international affairs. I intended to go into academia and wanted to be a historian. By the time I took the Foreign Service Examination in 1953, Eisenhower had put a hold on bringing people in or even having the orals. So I didn't take the oral until 1955. Between 1953-55, thinking this probably would not work out, I started graduate school in history at the University of Washington. I was working part time and married, so I didn't get too far.

Q: I took the written exam in 1953 also. I took it in Germany where I was in the Air Force. As I recall it was the last long exam, 3 and a half days.

DILLERY: Yes. We like to think we are the remnants of the old Foreign Service.

Q: Where did you go to graduate school?

DILLERY: Actually, I went to the University of Washington but only for about one quarter on a part-time basis. I did not do any other graduate school work until I was at the Industrial College of the Armed Forces in 1972-73, and then I got a Masters of Science in the Administration of National Security from George Washington. I also had a year of graduate studies at the University of California at Berkeley, but no degree.

Q: You came into the State Department when?

DILLERY: I came into the State Department in May, 1955.

Q: I am pretty sure you didn't end up in an FSO A-100 class because I was in the first FSO class and we started on July 5.

DILLERY: That is correct. There was no A-100 when I came. They had actually been bringing junior FSO's in from the fall of 1954, but everybody was assigned to Washington so all we got was a three-day orientation about security and things like that. I was assigned to the Bureau of Far Eastern Affairs, as it was called in those days, in the Office of Public Affairs. I did finally take the A-100 in January, 1957.

Q: What were you doing?

DILLERY: At that time we had about six people doing public affairs for Far Eastern Affairs. There were two China experts, a Japan expert, a Director and the rest miscellaneous. I was the most junior of those. My specific responsibility was the Philippines and Southeast Asia, but I really was a kind of a gofer. John Foster Dulles was Secretary of State and had a press conference every Tuesday in Washington. That meant that on Monday we had to do a briefing book for him which he took home that night to get ready for the next day. I was the compiler of that book for the Bureau of Far Eastern Affairs. I received the material from other people in the Bureau, but occasionally wrote some things. One of the great privileges was that I got to go to the press conferences. So I was there at the famous “brink of war” session.

Q: This was what he called brinkmanship where he declared you have to be prepared to go to the brink in order to accomplish anything.

DILLERY: Precisely. I was also there during another very interesting moment. The transcripts of his press conferences were published verbatim, he was a beautiful speaker, and there was one time when the Department revised his transcript after all the press had reported his actual words. The press all complained about that saying, “President Eisenhower doesn't do edit his press conference transcripts and he is well known for his lack of grammatical accuracy or meaning, even, in his sentences....”

Q: Meandering sentences. Eisenhower was often accused of doing this on purpose.

DILLERY: That's right. So Dulles said something like, “This is the foreign affairs of the United States and it is too important to have it depend on the mental acuity of one person, even if it is me. So, if you are really going to insist on my not changing what I said when I say something wrong, I am going to stop having press conferences.” And they said, “Oh, no, that is all right.” But, ever after that the record of Dulles' press conferences came out as the State Department's “report” of the Secretary's press conference rather than as a “transcript”.

Q: Were you involved in editing what he said?

DILLERY: No we weren't. That would have been done probably in the Press Office.

Just to clarify our role in the press conference preparation, on Monday morning the heads of our offices all got together with the Assistant Secretary for Public Affairs. They guessed what questions would be asked the next day and assigned responsibility for suggested answers to the appropriate office. I would sort of carry those assigned to FE around and receive the drafts, get them all cleared, write whatever I had to and then turn the product over to Public Affairs that night. And that would be our part of the book for the next day. As far as the transcripts were concerned, I am sure that was done by PA.

Q: Can you give us a feel for Assistant Secretary Walter Robertson who ran the Bureau of Far Eastern Affairs? I sort of have the feeling that he was the right wing representative of the Republican Senate and was put there so that they could pursue a more open course towards European Affairs and NATO.

DILLERY: I think that might be right. Assistant Secretary Robertson was a very imposing figure, a Virginia gentleman. He was really almost the Secretary of State for East Asia. It seemed that the Secretary kind of allocated Far Eastern policy and specially implementation to Robertson — although there were no differences in view between the two — and delegated a lot responsibility. A principal activity of the bureau was to keep

China out of the United Nations. Walter McConaughy was the head of Chinese affairs at that time. The Office of Chinese Affairs was huge. We also had a separate Office of United Nations Affairs and there were two people in that—Ruth Bacon and Louise McNutt. They were the keepers of the flame and the center of this activity. Any hint that China might be moving towards UN membership became a major issue against which we fought.

Q: Can you think of any examples where we were paying off and getting very tough with other countries who were making noises about supporting China?

DILLERY: I wouldn't have known so much about that part because I was more concerned about things like how we countered reporting on proposals for unfavorable UN resolutions in the press. But, clearly if there was any Chinese movement toward being friendly with any of our other customers in East Asia, we would try to counter that and point out the difficulties. So, we saw quite a lot of that kind of activity, but as far as actual examples, I can't produce. Maybe it is too long ago to remember.

Q: Well, you probably wouldn't have been getting into this.

DILLERY: The two officers who worked on China in our little office, today there probably isn't even one, were a very well known scholar named John Henderson and Frank Lockhart, whose own father, I think, had been the head of East Asian Affairs back in the State Department before World War II. They both were respected experts on China and were very effective in developing public arguments against Chinese UN membership.

Q: You were watching this from a unique perspective, what was your impression of the State Department press corps?

DILLERY: Of course, in those days the press corps was very stable. All the reporters had been around for a long time. I am trying to think of the name of our spokesman, he had a French name. He left while I was there and Lincoln White — who had been his deputy — became the spokesman. We didn't change press spokesmen in those days so

they kept going for a long time. The press corps was very well established. They were permanent residents of the State Department. They knew as much if not more about the State Department than most people who worked there. And, of course, there was less of the kind of confrontational relationship with the press. It was much more of a cooperative one. But, remember that the Cold War was at its height at that time so a strong anti-communist line was the popular thing to do as well.

Q: Did you get involved either in the preparation for or going to the Geneva Conference on Vietnam? Wasn't that in 1955?

DILLERY: Yes, it was, but I didn't get involved in that. I should not have referred to Southeast Asia. Rather, I looked after the press issues for the less immediate areas. I had the Philippines and Malaysia, Australia and New Zealand. Southeast Asia even then was larger and unique. I think there probably was a Vietnam, Laos and Cambodia office even in those days. Maybe Thailand as well.

Q: You left there in 1957 and took the A-100 course?

DILLERY: I took the A-100 course starting in January, 1957. It was a small class — about 25 — because it kind of picked up a number of new officers who had not been able to come in during the year for various reasons. There were some ex-couriers and mustangs as well as persons with much outside experience — a rarity in those days. We took the class in the old apartment buildings, which you probably did too, which were on C Street. They were torn down in 1958 to make room for the current Main State building.

Q: Yes.

DILLERY: Jan Nadleman was in charge of our A-100.

Q: He was the head of mine too.

DILLERY: It was kind of an anomaly for me and for others in my class because we had been in for two years already. Some of us had lectured to We A-100 classes when we took it. Afterwards I went to Tokyo as vice consul.

Q: What was our embassy like at that time?

DILLERY: Of course it was big. Remember the occupation had ended in 1951, but even at this time there was still a large vestige of American military presence. I think we still had 300,000 or so American military in Japan. In Tokyo itself there were a lot of military facilities that were being closed up. But there still was a PX and housing area right in the middle of the city. The strangest installation was an old-fashioned American drive-in restaurant right in the middle of the city but all by itself. So the US military presence was still very strong there.

The embassy itself. My first ambassador was Douglas MacArthur and then Edmund Reischauer. David Osborn was Political Counselor during part of that time. Al Seligmann, who I see is one of your interviewees, was there. One of the really best Foreign Service officers we had was on the economic side, Martin Hirabayashi, a Japanese-American who had actually been educated at Tokyo University and knew all the economic leaders in government and the private sector. In those days we had the current chancery and the “Mantetsu Biru”, which was the old Manchurian Railroad building. That was where the consulate was and the odds and sods of administration and other agencies, etc. I think in the consulate we had six or seven FSO's in the visa section; probably three people in the passport and citizenship section; and two full time officers in the American Services section.

Q: What were you doing?

DILLERY: For most of the year and a half I was there, I did American Services. The biggest job was marriages. In Japan marriage is legalized by having an entry in the family

register — a complete record of everyone's birth, marriage, divorce, children and death kept at your local ward office. Of course, foreigners don't have family registers. So the way to take care of this is to get an affidavit which you have to take to the ward office. They enter it in a special place and issue a very flimsy piece of paper which is the only legal certificate of marriage. Not very satisfactory for Americans who are used to a certificate of marriage that looks impressive.

As a result, there was a special section in the consular handbook in Japan which allowed us to be witnesses to marriage even though we did not go to watch the transaction at the ward office and also authorized us to issue a “Certificate of Witness to Marriage” that most of our clients must have considered to be their formal certificate. Any religious document or ceremony is not important. During the year I was there we did about 3,000 marriages of which I officiated in about 2,000. Most of them were American serviceman marrying Japanese women. But there were lots of other combinations as well.

Q: Did you find at that time that there was a problem of fraudulent marriages or were these for the most part real?

DILLERY: Not many fraudulent marriages. Most were pretty real, although there were a lot that failed, I think, later on. One of the things we did was to counsel people in that situation. The military were quite strict and you had to have the permission of your commanding officer to marry. So basically they had been counseled by chaplains and commanding officers.

There were odd anecdotal cases. I remember one where in doing all the paper work, and there was a lot of paper work to be done, we came to the end of the day without finishing a case. When he found he wasn't going to finish that night, the American husband-to-be turned to one of our foreign service nationals, and said, “Oh, if we are not going to be done tonight, would you please tell my fianc# I'll pick her up in the morning?” He couldn't even communicate with his wife-to-be. So that is a partial answer to your question.

I am not sure how strong the marriages were, but I think basically they turned out pretty well. We thought they were good because in Japan, of course, women in those days were very heavily influenced by their culture to support men. The boy of the family had to be helped and waited on by the girls, etc. American men treated women in a fashion that Japanese men never did - much more gallant, and perhaps a bad word now, thoughtful. The combination was a nice one.

Q: What about Americans who were in jail? How did this work?

DILLERY: A lot of Americans were in jail because the American military presence began to recede and kind of left a little debris on the beach. A lot of black marketeering had gone on and it was starting to stop by the time I was there. You have to remember that Japan was just emerging from a very difficult economic situation. It seems impossible now, but American products were very popular and a lot of smuggling out of PXs, and things like that, went on. What we found was that there were persons who would take discharges or drift into Japan, pursue illegal activities and then be caught. We did have a couple of cases of actual criminals. One man stayed over at the Imperial Hotel and called the hotel jeweler upstairs, hit him over the head and took his jewels, tried to escape and got caught.

So they ended up in prison. It was not very nice. I think the allowance for prisoners in those days was 81 yen. You have to realize that the yen was 360 to the dollar so this meant about 23 cents, not much for even 1957. That was the food allowance and it only exceeded the food allowance for the Japan Self Defense Force which was 80 yen. But it was basically seaweed and rice and once a week, fish. Americans were a little weak on that score. So we visited the prisoners and we tried to intercede for them. We had quite a few death cases. We had several active cases at all times during that period.

Q: Did you get any feel for Ambassador MacArthur at that time, or was he too far away?

DILLERY: Well, he was a very powerful character and we certainly felt his presence in the consular section but we had little direct contact. The DCM was Outerbridge Horsey who was just about as remote. The chief character in our work was an old-line Consul General, Laverne Baldwin.

It was the old Foreign Service where you occasionally got invited to the residence, so we would see MacArthur in that environment. We didn't go to staff meetings or anything. I don't recall him visiting the consulate. But we knew he was a very strong willed character and very much in charge of Japan-American relations. He was a presence.

Baldwin was a very traditional Consul General and an old line Foreign Service person. One little anecdote. His wife — a lovely person — was the daughter of an admiral. I can remember on first arriving that she called in the four or five new young families who had just arrived, and gave us instructions of what our duties would be at official embassy functions — arrive early, mix with the guests, take people off the receiving line. One of the little customs at the embassy, on the few occasions that we did go to the residence, was that if it said 6-8, the MacArthurs really meant that. MacArthur's wife, you remember, was the daughter of Vice President Alben Barkley. At eight o'clock, all of the people from the embassy got on the side of the room opposite the door and starting moving shoulder to shoulder gently pushing people right out of the door.

Q: You were there when Eisenhower was going to pay a visit and it didn't come off. What was our reaction?

DILLERY: First of all I should say that occurred a little later — after I transferred to Kobe-Osaka. One other funny thing in relation to the transfer. I arrived in Tokyo in March, 1957 and left in August, 1958, on direct transfer to Kobe as an economic officer. I remember Laverne Baldwin calling me in and saying, “You have been transferred to Kobe/Osaka as economic officer. With all these good young Foreign Service officers I can't figure out why

they picked you, but I hope you do well." So I was textile reporting officer for Japan then from 1958 through 1961.

I worked in Osaka and lived in Kobe. We had our apartments in Kobe in those days, in the compound of the Consulate General.

Q: Where were you during the Eisenhower business?

DILLERY: I was in Kobe at that time. That was very interesting. We read about and saw what happened in Tokyo. The problem was what the Japanese called the tyranny of the majority. The Eisenhower episode happened in 1961. When the occupation ended and Japan resumed sovereignty in 1951, part of the settlement was a ten year Security Treaty. In 1961, it came up for renewal. In Japan at that it appeared that parliamentary procedure was that when there was an controversial issue, with say a 70-30 majority, (which I think the LDP had) the majority negotiated with the minority. The Socialists would get a few concessions in the negotiations and they then would vote against it and all parties would be satisfied.

But in this case, the 1961 Security Treaty renewal was imposed on the Socialists by the LDP. The LDP couldn't negotiate because we insisted on the terms. Many Japanese felt this was a violation of their culture. The Socialists weren't exactly noble either. They barricaded the speaker of the Diet physically in his office and wouldn't let him on the floor to call a vote. After two days of this, maybe it was even three, he finally said, "I give up and am going home." He went out and drove a couple of blocks, the Socialists went home because they were tired, and the Speaker came back, had enough LDP votes for a quorum and passed the renewal in the absence of the Socialists.

That caused an uproar; all the national newspapers were against this saying that it was an un Japanese thing to do. They complained of the "Tyranny of the Majority".

Q: It was Yoshida wasn't it?

DILLERY: Yes, I think he was Prime Minister. And so there were demonstrations including at our Consulate General in Kobe. The demonstrators came to our office — and of course, our apartments, with signs “Go Home Yankee” and “Don't Sign the Treaty.” But the event was fairly good natured. One of my colleagues, who by this time had learned to speak Japanese quite well, saw a couple of demonstrators afterwards and said, “Throw your signs in the back of my car and let's go have a drink,” and he talked to them for a couple of hours. He kept the signs which our children then used to play “Go Home Yankee” in the garden of the Consulate General.

One other anecdote about that. My daughter was in Japanese kindergarten with two other American girls of the same age, three years old. All three were coming home from kindergarten in the custody of a Japanese family servant from one of the families. They were walking down the street and came right through the demonstration. The demonstrators saw the three Caucasian girls and started shouting, “Go Home Yankee”. My daughter responded, “But I am home. This is my home.”

There was no real threat to the Security Treaty itself but the situation in Tokyo was tense, especially when the Press Spokesman arrived in Tokyo to advance the President's trip to sign the treaty. The automobile was mobbed and violence almost occurred. As a result President Eisenhower did cancel. My evaluation now is that it worked out well because the President served as a lightning rod and diverted some of the heat away from the Japanese Government and the Security Treaty still is in force.

Q: Yes, the Spokesman got rocked in his car.

DILLERY: So, it was a serious moment but didn't last long. The Japanese really recognized that we were providing security for them.

To change the subject, I might report on my job in Kobe/Osaka. I hesitate a little bit about this, but it was our job at that time in the economic section to encourage Japanese exports

to the US. Look how well we did. The one commodity that they were not exporting that we thought might be a good idea and suggested to them was automobiles.

Q: Tell me a little bit about your work. This would be from 1959-61. How did you work as an economic officer?

DILLERY: Well, I devoted all of my time to textiles. There were two aspects to this. One was that we were trying to promote the sale of American cotton to Japan. We did a lot of reporting on trends and how we thought new ideas could be used, new ideas for cotton. There was an Association of Textile Manufacturers and we had a wonderful Foreign Service National, Mr. Kondo, who was probably the third most important person in the textile industry in Japan. He knew everybody in the industry, all the people in the trading companies. We were able to get reports and statistics that were not available from anywhere else. So a lot of what we would do was statistical trends on imports.

Textile exports to the US, of course, began to get significant about that time. Just before I arrived there was the “dollar blouse” controversy. The Japanese were actually making a blouse that could be sold in America for a dollar apiece. This caused great consternation in the American textile industry. So we had to begin to track and try to predict and keep Washington informed about what was going on in their textile manufacturing industry.

My day was composed of working with Mr. Kondo on statistics and looking at trends and then going out and visiting the textile companies and trading companies. The trading companies are very important in Japan because they pull together everything related to supplying raw materials, coordinating manufacturing, financing same and arranging for sales; nobody buys direct from the manufacturers. So we got to know the trading companies and how they worked and tried to inform Americans about that.

Another thing that happened in 1961, we had our first voluntary agreement with the Japanese on limiting exports of certain textiles to the US. I did a lot of the preparatory work of research on textiles in the area they were talking about. In this case it was cotton

zippers and certain kinds of cotton fabrics and manufactured goods. Then I was part of the delegation that negotiated with them to achieve that first agreement. I believe the delegation was led by Secretary Christopher.

In that connection I did a lot of traveling around the countryside to look at actual manufacturers and try to get some feeling for the potential for exports to the US. There was the famous case on woolen suits where a Japanese manufacturer had arranged for a suit cutter from America to come over and cut suits (that is where you make your money in suits) and they were making wool suits which could be retailed in the United States for $45. Even in the late 1950's, that was cheap. A department store owner whose establishment was across the street from the main office of the International Ladies Garment Workers put the suits on sale. You can imagine the uproar.

Q: Probably New York.

DILLERY: It wasn't New York, I think Pittsburgh or some place like that. Maybe it wasn't the Garment Workers but one of the other unions. I can't remember the name of the union now. But the department store was across the street and he had these Japanese suits advertised for $45. He caused a great furor and Congress got interested. So we had to ferret out where the suits were coming from. We had to really snoop around because the location was not well known. A small trading company was handling the deal and the factory was way up on the Northwest coast of Japan. There were three Foreign Service nationals who worked with me and this time not Mr. Kondo but another one and I visited the factory and quickly realized that this was not going to be a major threat to the American suit industry because the factory was too small and there was only one cutter. So we were able to tamp down the controversy on that.

Q: How were you received by Japanese businessmen at that time?

DILLERY: Very courteously. I am sure they were not telling us everything they did, but courtesy is such a strong element of Japanese culture that we were able to winkle out

a bit of information. Remember they were very dependent upon us at that time. As I noted, we were trying to help them. All of our formal trade opportunities for the Commerce Department were for exports from Japan to the United States. So anything in the Journal of Commerce that we sent back was for American importers, not American exporters. We were trying to encourage their recovery from the war because they were really just barely emerging from a deep recession. So they were very friendly.

And then we were so fortunate in that...I remember that our man who worked on the silk industry, which was centered in Kobe, had been in the Consulate General for many years and came from a good family in Japanese society and was very well hooked into the industry. So we had very good access there.

Again, I must note that Mr. Kondo was really wonderful. He later, when he finally retired from the State Department, went to work for the Association of Japanese Trading Companies or Textile Manufacturers and continued to be very significant in that relationship.

I had one very positive relationship with a Japanese textile firm. I went to visit the Japanese subsidiary of one of the Sumitomo companies, a licensee of ACRILAN, which happened to be called EXLAN in Japan. As I was interviewing them and seeing how that agreement was working, they said, “We need an English teacher. Would you help us find one? We want our senior executives to be able to work well with our American colleagues but they don't speak English well.”

So I said, “Sure, I will be glad to do that for you. Why don't I do it.” I noted that I couldn't take anything for the teaching — even in those days with less emphasis on ethics and conflict of interest. That was significant because in those days English teachers were paid handsomely. I think people were making $7-8 an hour, or something like that. They said, “Fine. How about Thursday from 5-6?” I went to USIA and got materials for teaching English. When the Thursday session was over they said, “How would you like to have

dinner?" And I said, "That sounds very nice." So they took me out to dinner. It was a lovely dinner in real Japanese fashion. We did a little bar hopping and I took the last train home. And that became the pattern for every Thursday night. So I am afraid they spent more entertaining me than they would have if they had paid me. I got to know them so well that I kept in correspondence with them for many years afterwards.

Q: Right now one of the major concerns between Japan and the United States is the fact that the Japanese seem to be such a closed market with many regulations that seem to close things off. Did you find that the Japanese regulation situation was a problem then or not?

DILLERY: It was not a problem, but, of course, part of the reason for that is that there wasn't really much of a market for anything. The yen was very weak so anything imported was very expensive. Japan was heavily devoted to organizing for export. And, of course, in those days the US domestic market was strong and there was not a lot of American interest in exporting, especially in things like textiles. So, since there was not great interest in the US Government or even in industry, we really didn't have any pressure on us to try to encourage US penetration in the market. Remember the American economy was strong and we actually saw what we were doing in Japan as positive. No, that was not a factor then.

The bottom line was that we were starting to see some of the symptoms of the current difficult trade relationship with Japan but real problems were only a cloud on the horizon. Japan's exports to the US were increasing rapidly but textiles still were the major item and much of the rest was characterized by lower quality items. Automobiles were not in the picture and even the small amount of electronics items were mostly not competitive with US-manufactured products. But the textile situation did give us a clue as to how hard it would be to work out problems when Japanese exports significantly affected major US industries.

Q: How about leftist influence in the labor movement? Were we watching that? The textile industry had rather poorly paid labor. Was this a problem?

DILLERY: Well, we were keeping an eye on the Socialists and sort of Communist influences, but in those days the Liberal Democratic Party was so strong. It had been in power for a long time then and it continued, as we all know, for many years. Japan operated very much on a traditional basis and the Socialists were on the fringes, not even in the center of the academic field. Labor was the only major Socialist stronghold but that was even modest by the standards of labor in other countries. In fact, the Japanese idea of a strike in those days was to wear an arm band that said, “I am on strike, but keep working.” There was no real labor unrest. There was a bit of leftist views in the university, but once again, being pragmatic, the Japanese were going to university to get into business or government and it was not the thing to be a Socialist. There were no particular left leaning newspapers. It was a pretty quiet period.

Q: Well, you came back to Washington in 1961?

DILLERY: That is correct. I came back and was assigned to the Office of the Special Assistant for Atomic Energy and Outer Space, which had been founded as we began to see that we needed to work on controlling nuclear programs of all types. It was clear that this was going to be a major diplomatic issue and we required an office to deal with the situation. The outer space part came later. When I arrived, we were just beginning the Gemini program.

Q: The Gemini program was a man space flight with two people.

DILLERY: John Glenn had just finished his suborbital and I don't think Gemini had flown yet. Anyway, I was in the outer space part of that. Phil Farley was the head of S/AE. At the same time the Science Office (S/CI) of the State Department was being founded. The first Science Advisor was Walt Whitman of MIT. It was a very small office. They decided

to disband S/AE and transfer the military aspects of atomic energy to PM (Political Military Bureau) and the civilian aspects of nuclear issues, plus all outer space activities, to the Office of the Science Advisor. So, I was in S/AE only six months but continued to do the same work when the duties were transferred to S/CI.

In that office we: negotiated for tracking stations and negotiated cooperative agreements with other countries to carry out scientific activities in outer space...flying their experiments, sharing data, etc.

One of the things that happened at that time was that the United Nations became interested in outer space. One of the first elements of this was to develop a census register of objects in outer space, which still continues. I happened to be the person in the US Government responsible for developing the US input to the register. I got the data for us to send in our information on which objects had gone into space and which were still there and what their orbits were, etc.

There was an amusing aspect to the register because the Soviets refused to provide data at first. But we provided data on their objects by not labeling them. We labeled ours — 1960 Alpha, for instance — and then reported our next object as 1960 Gamma. The UN asked where was 1960 Beta. We responded only that there was a 1960 Beta but it was not ours. Of course, the Soviets were the only other ones putting objects in outer space at that time so they complained bitterly that we were registering their objects. We said, “Well, we track all objects in space and we know they are there. It would be incorrect to label only our own objects in series. We are not saying where they came from.” So we did that and finally, the Soviets started providing their own information.

Then I was one of the science officers in the State Department's liaison with NASA and the State Department worker bee on the founding of the Committee on Peaceful Uses of Outer Space, which was being formed in the UN. There were two initial issues, one was to assign responsibility for damage which was might be caused by objects that fell out of

space and hit somebody or something; the other was the treatment of astronauts should they ever come down in a place other than the country which launched them. There also was a big question about sovereignty in outer space, i.e., who owns it. I made several trips of some duration to New York to sit in on the subcommittee of the Committee on Peaceful Uses of Outer Space.

Q: At that time it was the Americans and the Soviets. What was their attitude towards the peaceful use of outer space and dealing with liability, etc? It was their problem as well as anybody else's.

DILLERY: We agreed that outer space was beyond the sovereignty of earth and therefore like the high seas and the freedom of the seas with no regulations or control over anything done in outer space. There was much pressure for regulation from others who didn't want those who had the capability of working in outer space to be able for perpetuity to claim all the rights to whatever might develop there that would be useful. So even a lot of the closest allies of both superpowers insisted on some global approach. These issues were kind of an offshoot of that. The Soviets went along with it but grudgingly.

Q: I realize you were off in this science area which was not high in the State Department's priorities, did you feel that you were out of the mainstream or not?

DILLERY: A little bit, but actually the Science Office was being increased in those days. I spent all of my time on space, except my last year when I became special assistant to Herman Pollack, who was the Science Advisor and head of what has become the Bureau for International Scientific and Oceanic Affairs. In the outer space job, we were involved in some mainstream activities. For instance, one of the things that we had to deal with was American intelligence programs. You would have thought that part of space activities would have gone to the Political/Military Bureau but initially it didn't, it came to us. So we had to work with all of those aspects that involved outer space and to meld that in with all the rest of our activities.

Q: We were at that point developing the system where we shot essentially cameras up in the air and they came down. Were we reporting everything that went up?

DILLERY: Yes, we always reported everything that went up. And even more complicated, we reported on all fragments of satellites that disintegrated in space — so it was a complex but full disclosure. We kind of hedged on what the individual satellites were doing.

Q: You got there in 1961 and the Kennedy Administration was charging around being very dynamic. Did you have that feeling?

DILLERY: I think it was because of the dynamism of the Kennedy Administration...remember outer space was one of his major areas and we were working on the moon landing, which was going to take international cooperation, by the way, because that required tracking stations. So between that and communications satellites and then these programs...we were doing many agreements with other countries to encourage them to cooperate us in supplying experiments to us and us giving them information, etc. It was a really busy and exciting time because of that.

Q: How about dealing with some of these countries. I know we were putting up tracking stations in Zanzibar, etc. Were there any that stick in your mind as particular problems?

DILLERY: Zanzibar was interesting because we were taking a tracking station down rather than putting one up. We had one there for the early manned orbital programs, but at this point we were disbanding that because the Zanzibari's had been so hard to deal and the characteristics of the new manned programs weren't going to make it necessary to have one there. Also, as we got into higher orbits we needed fewer tracking stations.

The big tracking station issues in my time were South Africa, because of the political problems. There was a big NASA station there.

An anecdote about that which I used later to demonstrate the attitude of the US Navy toward the whole rest of the government. There was a low altitude Navy communications satellite — Transit — that required many tracking stations around the Globe. The Navy wanted to put one in South Africa. We, in the State Department, felt they should not do so because of the political sensitivity and we finally got a formal government decision not to do that.

When one of our folks was visiting the NASA tracking station in South Africa a little later, he said to the manager of the tracking station, “You know we had this interesting thing, the navy was trying to get this tracking station in here, and, of course, we couldn't let them do it so there was a formal decision not to place it here.” The Manager responded, “What do you mean you couldn't let them do it? You are leaning on it right now.” It was just a few computer boxes and a small antenna and the Navy just went ahead and put it in anyway.

The Seychelles was another fascinating station issue because they were moving towards independence and the Air Force tracking station was important so we wanted a good relationship with this small country. We probably paid more attention to the Seychelles than we might have because of this.

We had a lot of stations in Australia, but the relationship was very congenial and there were no problems. There was a South American one. Essentially we moved from several manned flight stations to about three large NASA tracking stations—South America, Africa and Australia.

We started the synchronous orbit..

Q: Synchronous orbits stayed in one place.

DILLERY: That's right. The reason is that at something like 23 thousand miles of altitude it takes 24 hours for a satellite to make one orbit of the Earth. Thus, if the satellite is place directly above the equator, it goes around the earth at the same time the earth rotates, so

the satellite appears to stay in one place and a ground tracking station can remain almost stationary. And that is what all of the communications satellites are now.

We helped with the first launch of a synchronous satellite. I watched the first transmission and operation of that satellite. We had to make arrangements to send a ship to Lagos, Nigeria where the first actual transmission of a synchronous satellite signal was sent from Washington. I think the conversation was arranged between President Kennedy and the President of Nigeria. We wrote the agreements and worked with our Embassies to set up those kinds of operations. We worked hand-in-glove with NASA's Office of International Relations on these projects.

Q: While you were working on these things, how were your relations with the desk officers that were involved? They must have thought you were coming out of the blue.

DILLERY: Well, I worked in several functional bureaus because in addition to SCI and S/AE, I was later in Political/Military Affairs and IO. So I had this problem of the role of functional bureaus several times in my career. I have always felt that the clear focal point of any bilateral relationship has to be the regional bureau. The smart regional bureau person realizes, however, that other people can help him. The functional bureau people have to realize that the only way they can really be involved in things is to make themselves useful to the desk. So that was the way I approached this procedural issue. Basically, since we were doing things which had some bilateral positive element and could provide the putative host country with some benefit, there was little major policy difference between us and the desks. I always avoided the idea of saying that this project is my turf and you can't get on. We said rather that this is your—the desk's—turf and we would like to help you out. So we didn't run into too many problems.

Q: At a certain point you became staff assistant to Herman Pollack?

DILLERY: Right. There I really just broadened out my interests from space to all aspects of international scientific cooperation. My main task was managing paper flow to him. I was

not involved in issues so much any more. He was, of course, a great organizer. He'd had a lot of experience in the management side of the State Department and even though he was not a scientist, I felt he was the real father of the current science program. It had been developing, but he made SCI into a real bureau, got more science attach#s and in general made the bureau an integral part of the Department. I hope I helped him in this effort and I learned more about management than about science from him. I was there just about a year.

Q: How did you find the science attach program? Were there problems in getting it accepted?

DILLERY: Yes. The Foreign Service culture really did not understand this very well and it didn't mean a lot to them. One thing that really impressed itself on me during that period was that scientists are inveterate internationalists.

Science is an international language all its own and when you are working on the same subject there were amazingly positive relations even with colleagues in very antagonistic countries. Soviet and American scientists always got along very well. Secondly, and perhaps somewhat erroneously, that leads scientists to think science is the answer to all international problems. Probably the right approach is to balance these things off. You want to use the science cooperation to help the overall atmosphere and recognize that it is going to be an important part of the relationship, but not accept that science can answer all diplomatic differences, because it can't. It is a nice and positive tool that can be used, but you have to keep it in perspective. Scientists sometimes lose that perspective and think that if only the politicians would follow their way of doing business everything would be okay. It won't, of course. So I think that to me was perhaps the most interesting and meaningful lesson I learned. Science is a great tool but not the answer to all problems.

Q: How was Herman Pollack as a bureaucratic infighter? Normally one doesn't think of people who have been involved in this field, but his name is one that one thinks of.

DILLERY: Of course his problem, if he had any problems, was that he was not a scientist. So I think the scientific community had some reservations about him, especially at the beginning of his tour. This may have been a minor hindrance at the outset because relationships with the National Academy of Scientists and the National Science Foundation and the President's Science Council were very important, but he soon won everybody over with his ability to get resources for scientific cooperation programs.

In terms of knowing the State Department, of course, Mr. Pollack was superb. He had come up through the Bureau of Administration, knew where the money was, how you get personnel, how to organize offices and get space, etc. He was really a consummate operator on that score and to watch him work was to realize that there really are two sides of the Department — the program people and the managers. It was my first exposure to management. I know we in management, which I am now, hate the word “substance” in describing the work of regional and non-management functional bureaus. We in “M” think we work in substance too. A better word would be program. And a better word for administration would be perhaps support. There really are two different communities in the Department and very infrequently do the twain meet. Herman Pollack was one of the few who were able to bring together both sides and to use his knowledge and skill in the support part to really enhance his program. I think the bureau went from something like 3 people to 30 during his time.

Q: Then you left there in 1965?

DILLERY: Yes.

Q: And you went to training for a year. What were you doing?

DILLERY: You may remember what I considered a very humorous Department notice which said that they were setting up a new specialty called “Atlantic Affairs.”

Q: One looked at that and said, “My God, we are loaded with people and the problem is getting them out, not...”

DILLERY: That's right. And I remember that the notice said they were offering this specialty and you could have training for it and would become an “Atlantic Affairs Officer”. The “downside” was that if you took this specialty you would have to spend most of your career in Europe... Well, for the good of the country I volunteered and was sent to Berkeley for a year. The course was Atlantic Affairs. There were four people assigned to that training that year; two went to Columbia and two to California. My colleague was Maynard Glitman, who later became Ambassador to Belgium and negotiated the START treaty, etc. A professor at California, Ernst Haas, had written the first scholarly work on the European Coal and Steel Community, and became kind of the father of international political scientists working on the European movement. Movement in the organizational sense, not so much in the Monnet idea, but the nuts and bolts of the organization. He was our tutor. Mike Glitman and I had a weekly tutorial session with him in which he gave us subjects to research and we came back and discussed them in a sort of British tutorial form.

Meanwhile, we were also taking economics. The Department also had two people there in economic training. They were Ernest Johnston, who later became principal Deputy Assistant Secretary in EB and Felix Bloch, whose sad story is well known.

Q: Felix Bloch is very famous for being the unconvicted, but acknowledged, Soviet spy.

DILLERY: This was before that, of course. There was one AID officer who was there on his own taking economics. The University provided us with an office all together for the five of us. It was very nice support. Our sponsor, and the chief liaison with the Department for the Economics program which had been in existence for some years, was a wonderful man who was Deputy Chairman of the Economic Department, John Letiche. He gave a special course in macroeconomics for the five of us at his home. We got to know him very

well. So the Atlantic Affairs course was really heavily economic oriented. In fact, the others who went got a masters degree in economics. I could have one if I had taken ... I took all the courses for credit except one and I should have taken ... macroeconomics, and I would have had a masters degree there.

Q: I think it is always interesting to look at the two different worlds. One is the academic world and one the Foreign Service world. We are talking about 1965-66. What were you getting from the academic world at Berkeley about the Atlantic community?

DILLERY: Well, basically they thought...they did not see political unification coming down the road at any time in the then foreseeable future. They saw the beginnings of a Common Market. They could see that this could have a very positive economic effect on Europe. They were certainly supporting it. They thought it was a good idea and subscribed in general to the European unification idea. Haas may have talked a little bit about political unification, but I think he sort of discounted it. But basically they supported the whole idea and were pretty much in tune with the USG's own views of it at that time. We were very strong Atlantists.

Q: Particularly in the face of the Soviet threat.

DILLERY: We even had as one of our subjects NATO.

Q: So you came out of this and where did they put you?

DILLERY: My next assignment was to Brussels as head of the Economic Section at the bilateral embassy. At that point the mission to the European Community was already there. NATO — with its attendant US, mission — came during my tour.

In connection with Brussels, let me just note that I came into the Foreign Service in 1955, as an FSO-6, as we all did. Then in 1956 I had to be moved back to an FSO-7.

Q: As we all did. I had a hard time explaining to people that in a way it was sort of a promotion. They moved from six ranks (six being the lowest) to eight ranks. Those of us at the six level dropped to a seven, but at least we were one rank above eight.

DILLERY: Anyway, I got promoted back to six in 1968, to FSO-5 in 1961 and FSO-4 in 1963. So I was really rolling along at that point. The reason I mention this is that I went to Brussels and worked for a Chris Petrow, the Economic Counselor at the Embassy. My job there was bilateral economic issues with Belgium, but the most important and time-consuming subject was the developing independence of Zaire, specifically the copper business, and its impact on the US. So a large part of the work that we did was not just the bilateral economic work of Belgium, which we also did, but Belgium's relationship with the Congo.

But I was only in Brussels for eighteen months. It turned out that Petrow was very, very concerned about the Vietnam War — as many were in the mid-1960's. And even though I wasn't taking any particular position on the war, every day he came to work he would discuss his unhappiness with the war. Finally, when there was a Department notice that came, I guess in 1966, asking for volunteers for Vietnam, my only way of responding to all these stimuli this was to volunteer. In retrospect, probably a big mistake.

Q: Back to Brussels. You were dealing with the Zaire question. What was the Belgian attitude at that time? Was the Katanga business, the separation of essentially the mining area, still being pushed? How were the Belgians looking at it and how were we looking at it?

DILLERY: The Belgians had not yet accommodated to the fact that Zaire no longer was Belgian. They still had all the technicians and major economic interests and continuing to try to utilize the Belgian Congo as their cash cow. The trade was still heavily oriented towards Belgium. Of course, Katanga...actually the separatist business had happened before, but there was still a lot of rumblings about that during that time. But politically

in Zaire during that time I think it was fairly quiet. It really just had to do with all these maneuvering as to who was going to get access to these minerals. And, of course, we were encouraging independence...Mobutu was appearing on the scene at that point and we had a close relationship with him. This was the early days of his regime. So probably we were being a little bit anti-Belgian there. It never reached the point where it was an irritant in the relationship or anything like that. But our goal at that time was to try to help develop Zaire into an independent country that was going to be viable and it almost looked like that might be possible.

Q: At that point we were pretty much optimistic. Were we going about this in a geopolitical sense or were there American firms we were trying to get in there for our own commercial interests?

DILLERY: I guess the main impetus of what we were thinking about was to keep the copper industry going and hopefully use that as a basis for a stable Zaire. A lot of people were working on this in and out of government...the famous Tempelsman, I remember that name...

Q: He keeps coming up again and again. He has his finger in everything. One of these international brokers.

DILLERY: There were a lot of international people. There was a lot of back and forthing and a lot of American interest, but there were no companies like an American mining company trying to get in for exploitation. Most of the exports would have been on commodity exchanges anyway. So there was not a single American company that we dealt with.

Q: How did you deal with the Belgians? How did you find them?

DILLERY: The Belgians as a group are fairly reserved people. First of all at that time the ethnic problems were very strong, the Walloons versus the Flemish. In fact I always

kidded my Flemish friends because it was at this time that they were singing “We Shall Overcome” and by this time they had really gotten to the place where they had overcome, but they didn't realize it. The one thing they couldn't do to the Walloons was destroy the Walloon sense of superiority. So that dichotomy was very interesting. On an individual basis, we got to know people at my level at ministries and a few on the outside who were very friendly to us and very nice. Belgium as a country, if I were looking at this as a historian and cultural observer, I would say as a country that has been invaded by many other peoples over the course of the years, the people are kind of defensive.

In 1966-67 it was just at the beginning of Brussels becoming an international center and I am sure attitudes have changed somewhat now. But the Belgians were inward looking and not easy to talk to. They were very strict about everything; it was a tight society.

Q: Did you see a split in the Belgian bureaucracy between those uncivilized colonialists who still thought in those terms within the bureaucracy and a new generation that was coming up who were seeing things in a different light, or not?

DILLERY: I did not see too much of that at all in the bureaucracy. However I did observe the old generation outlook more among the people. Our landlady's husband had been an official in a bank in Zaire, so her memories of Zaire and sense of how it was going down hill were very strong as well as the sense of loss. She felt independence had been a bad thing. But I think most of the bureaucrats I knew were really quite correct. It was clear that Belgium wanted to maintain a sphere of influence in Central Africa at that time. They had not yet reached that point where they disassociated themselves. That was the government policy so I don't think there was any dichotomy there.

Q: What was the Belgian feeling at that time regarding European unity, at least the economic field?

DILLERY: I think Belgium saw European unity as an advantage for the country. I think they felt their central location...they already did have the Common Market headquarters there

and it was becoming very much a growth industry. I think they were quite proud of that. As one of the smaller European nations they saw economic amalgamation as something that would benefit them, they would be a receiver and not a giver in the whole economic equation if there was economic unity of some kind. So they supported it.

The headquarters of NATO also were moving to Belgium at this point. I think they felt that all these things were pluses. The European Community, while it was large in the number of staff, etc., didn't really make a big impact on the city. I wasn't there when NATO arrived and it could have made a negative impact on the city making the people of Brussels unhappy, but I don't know that. But when I was there it hadn't really changed anything.

Q: The Ambassador when you were there was Ridgway Knight?

DILLERY: Yes, Ridgway Knight.

Q: How did you find him?

DILLERY: He was a wonderful guy. He, of course, was very, very traditional. He had been born in France of American parents and actually probably spoke French better than he did English. He had gotten into the diplomatic service partly because his French was so good. He became a vice consul in North Africa during World War II and was involved in the clandestine landings of Murphy and Clark — actually was one of the young men who carried them through the surf to secret meetings with the French.

Q: He was one of those vice consul observers. Murphy had a whole series of gallopers who went out and kept an eye on what was going on.

DILLERY: Precisely. Then he rose rapidly in the Foreign Service. He was fiercely American even though he had not spent a large part of his life in America. At the same time he was very old school. He was a wine connoisseur. He did things in the correct old fashioned way. But he insisted on good reporting. He had excellent relations with the

Belgians. He was a very good reporter and negotiator himself. He was, I would say, the epitome of the old line Foreign Service officer. Totally political in his outlook and not very much on the economic side.

Q: How did this Vietnam thing develop for you?

DILLERY: As I said, Chris Petrow roiled me up so strongly...he was a wonderful person who later became head of Mexican Affairs in the Department. He was just a real idealist. He was one of the people who was prepared to speak his piece at any given moment. Very liberal in his thinking. He was totally opposed to the war and it was driving him bananas. Then he proceeded to drive me bananas. So when a telegram came out requesting volunteers for Vietnam, the thought came to me that this would probably be the biggest foreign policy development that would affect our country during my time in the Foreign Service and I really should know something about it. Probably the best way would be to go.

Q: Going to see the elephant, I think is the term.

DILLERY: Something like that. So I sent in my request to volunteer and I remember Ambassador Knight called me in and said, “I know that Brussels is not Paris or Rome, but why would you ever want to leave Brussels?” I sort of wanted to say to him at that point, “Mr. Ambassador, I am not going to Paris or Rome.” I explained to him what it was.

That was Christmas of 1967 and I came back and took the training course at old Arlington Towers training center.

Q: It was in the old garage.

DILLERY: Yes, the old garage. I started the training course and the more I thought about not wanting to do this it was too late.

Q: How did your family react to this?

DILLERY: Not well. My wife took this as desertion and said to me, “I would divorce you but that is the easy way out for you.” They stayed in Washington, in Arlington where we had a home. I went out in March, 1968 and was in Quang Ngai until mid-December 1969. While I was in training the TET offensive of February 1968 occurred.

Q: What were you getting from your training? What was the attitude and how was the training getting you ready for Vietnam?

DILLERY: There were three different types of people in my training course. There were some like me, who were volunteers, not very many. There were a lot of junior officers who were being drafted and very unhappy about it. Then there were other people who were going out who had been hired to go to Vietnam to work for AID. Actually, all of us were going to be part of AID because we going to a program called Civil Operations for Revolutionary Development Support (CORDS). The training course was oriented towards that because this was CORDS training. In other words there was the embassy always at a much higher level and much more zippy than CORDS, obviously.

So this was strictly CORDS training. It essentially was to introduce us to Vietnam, give us a little bit of the history, the traditions and culture. Then there was a description of the CORDS program and what we were doing and how it had evolved from the several pacification programs that had existed before. A little bit about AID procedures. And basically that was it. There was an option of taking language training which a number of people did. But I wanted to minimize the time I was going to be involved so I didn't take that.

We all thought we would be going to provinces so there was a mock provincial team exercise so you would have a sense of what the various aspects were. It was pretty much

hands-on-training by people who had been there and came back to tell us what was going on. It was mostly composed of talking sessions.

Q: What were you getting about TET? There were two points of view about it.

DILLERY: Most of what we got was that TET was a bad thing for us. I know the Administration attempted at that time to portray this as the Communist having given their best shot and failed. Given the casualties they took it was terrible for them, but clearly the people who had been there did not see this as such a good thing and felt the psychological impact of it would be negative...and I think it probably was in the long run.

Q: So, you went out when?

DILLERY: I went out in March, 1968 directly to Saigon where I found total chaos. I dropped in on my friends at the embassy. Gil Sheinbaum was the executive assistant to the ambassador at that time. He was a member of my A-100 so I saw him a little bit. I remember flying in from Hong Kong and looking out the window at the length of Vietnam looking for battle smoke, but didn't see any. I thought it looked very peaceful.

Q: As a matter of fact when I flew in I saw a lot of smoke but was told it was actually rice stalk burning time, it wasn't battle.

DILLERY: Anyway, I landed at Tan Son Nhut and my first sight was a great big hole in the ceiling of the airport from a rocket during Tet. I think it was a Sunday. I watched people getting picked up by people sent to meet them and leaving the airport and finally I was the only one left — no one met me. I found somebody who took me to the Oscar Hotel in downtown Saigon. I stayed through that night and the next day went out to the CORDS headquarters and got settled in. It was kind of a funny arrangement because we had to go to the embassy to do some personnel things and then to CORDS to do the rest.

It turned out when you got to CORDS that they didn't really know what they wanted to do with you. One hoped they needed you. Yet, it turned out they had no concept of what they wanted to do with you. So you diddled around, made calls and talked to people in the headquarters. I had gone with two buddies from my training course...Bob Emmons and John Blodgett, both of whom found jobs at MACV, at CORDS headquarters, so they never left Saigon.

At my hotel I ran into Jim May, who was the Province Senior Advisor in Quang Ngai and a well-known grabber of every resource he could possibly get for that province. He had more FSOs working in his province than any other. We met in the lobby and when he found out who I was he said, “Why don't you come to Quang Ngai?” I said, “Well, nobody else has asked for me, sure. So where is it?” That was how I got to where I was going. There was no design that I could see.

Q: Where is Quang Ngai?

DILLERY: Quang Ngai is in I Corps which is the northernmost Corps of the four of Vietnam, and is the southern most province in that. It is two provinces below Da Nang.

Q: What was the situation in Quang Ngai when you were there?

DILLERY: Quang Ngai is a large province with a population of about 600,000. The mountains came pretty close to the sea there. The Americal Division was the American presence. It had been one of the areas of heaviest Viet Cong presence, always, traditionally. A lot of North Vietnamese officials came from Quang Ngai, including the then Prime Minister, Pham Van Dong. It had quite a strong political tradition. There were five non-communist political parties in Quang Ngai, although some with membership of only four or five people.

When I arrived everything was pretty much besieged, it was right after TET. The Province Senior Advisor's house was a compound with several buildings and lots of rooms, and

I stayed in one of those. It had shell holes in the gate from a mortar that landed during TET. During TET the fighting was only a block away. So when I arrived there was a strong feeling of tension, in fact I think I made a trip to one of the district offices and it was the first time they had driven out since TET. A very, very, strong feeling of imminent danger.

Of the 600,000 inhabitants, 300,000 were refugees and one of our biggest jobs was taking care of them. My Lai occurred in that province before I got there.

Q: Had they started investigating that?

DILLERY: In a very desultory way the IG and a couple of other army inquiries had come, but they never found anything until the story broke in December, 1969. We didn't even know what they were investigating. They were casting their questions in such a way that you didn't know what they were talking about.

Q: I was in Saigon later on. I came in early 1969 and there were sort of hints around, because I was dealing with the Inspector General too, of them looking for something big, but they didn't say what.

DILLERY: We knew that the area around My Lai was the operating territory of the 48th Viet Cong Battalion, which was said to be one of the best Viet Cong military units in the whole country. That was real bad country out there. They were almost as formidable as the North Vietnamese army.

But the whole area was tense. We had ten districts and district teams in each one of them. Four or five of them were montagnard districts and the advisory teams were really manned by Special Forces people.

In one district we had Marine combined action platoons. Five or six Marines were stationed with a popular force platoon to defend a village. That was real rough. They did more fighting that most of the larger military units because the Viet Cong attacked them on a

regular basis. I understood that they caused more VC casualties than Battalions. Their living conditions were terrible, right with the local peasants — and they were very brave. We had eight or nine of those units in one of our districts. They were part of the Third Marine Amphibious Force (3rd MAF) operating out of Da Nang.

As to the US Army, we were in the Americal territory and we had a close relationship with the Division. Two brigades of Americal were operating in our province. This was when Colin Powell was stationed with the Americal, I must have met him at briefings and meetings as he was on General Getty's staff.

Our province team was big. We had about 160 Americans of whom about 30 were civilians. The headquarters probably had 75 or 80 and the others were scattered out in districts. We had about 150 Vietnamese employees. Quang Ngai had a hospital, so we had nurses and doctors on the team. There also was the Phoenix program (the intelligence presence), an educational advisor, a police advisor, two Volunteers In Service to America (Vietnam's version of the peace corps) teaching English. I was the “Revolutionary Development Support Officer” when I first came. This was the officer that managed the warehouse with building supplies, food distribution, etc. to refugees. We had two people working on refugees. So it was a big, big operation.

The US Military part of the team were advisors to the Regional forces (sort of like the National Guard in the US) and the Popular Forces (the local militia in villages). You will remember there was the regular Army of Vietnam (ARVN). They had their own advisory team in Quang Ngai which wasn't part of us. We had a kind of parallel government structure to the government of Vietnam all the way down. Our office was in the headquarters building of the province.

Q: Which was where?

DILLERY: Right in Quang Ngai city — the capital of the Province. Several things happened there, not only My Lai. One or two of the Buddhist monk immolations in 1967 occurred in Quang Ngai. It was a pretty busy and controversial area.

Q: Let's talk about your first job dealing with the refugees. What were the major problems you had to deal with?

DILLERY: Our job was to get food, bulgur wheat and cooking oil, to the refugees, and to provide villages with building materials — metal roofing, cement and reinforcing bars. We had a big warehouse which I supervised in an attempt to keep some control over the supplies. The biggest problem was corruption. My counterpart on the Vietnamese side — an army major — was pretty clearly a crook, although we never proved anything on him. His people commandeered supplies from our warehousemen and quite frequently we felt they were not going off to carry out agreed projects. So we tried to stop that.

We also did the paper work and physical inspections of projects and approved the when complete. Because of all the refugees we were doing a lot of building of camps for them. We also did some building in villages that were not refugees. It was our job to work with the Vietnamese on these projects and to assign them out and monitor them.

The second Province Senior Advisor was Bob Burns, a wonderful person and also an FSO. The system in CORDS was that if the Province Senior Advisor was a civilian, the deputy was a military person and vice versa. Our Province Senior Advisor was Jim May at first and then Burns. Even under May it turned out that I was sort of the second civilian (I was an old FSO-4).

Q: Equivalent to a colonel.

DILLERY: A Lieutenant Colonel — I got promoted to FSO-3 in 1969 after I became PSA. So I was really kind of the second ranking civilian in the province at that point. I was also kind of like a chief of staff, so I helped on a lot of other things. One of the things we did

was the famous Hamlet Evaluation Survey or “HES” every month. You had to rate which hamlets were safe and which weren't.

Q: There was a whole matrix of things. Could you stay there the night? Are they doing this or doing that? It was then put into the great computers somewhere and out came a “how are we doing” type of report.

DILLERY: Yes. Then they produced beautiful maps with “our villages” in blue and theirs in red. I am afraid that we didn't do a very good job on this — there was almost no place in the Province where we felt safe at night — even in our own houses. So the HES probably wasn't a very good tool and overestimated GVN control.

Back to the organization of the advisory team. It sort of turned out that I was kind of like the second deputy province senior advisor because the first was the military one. He did that side and I was the deputy for the civilian things. So I managed all of the aspects...all of the civilians reported through me to the Province Senior Advisor and I coordinated the activities of the other agencies on the Team.

I continued in that role until the last six months. In June, 1969, I became Province Senior Advisor and was in charge of the whole shooting match.

Q: How did you find your Vietnamese counterparts?

DILLERY: Some real good ones and some not so good ones. The Major, I can't remember his name, who was my counterpart when I was doing a lot of development work was pretty clearly on the take. But the Province Chief and the Deputy Province Chief during the whole time were also army officers and terrific guys. They were really patriots, I thought. They knew what they were all about. They were good soldiers. I am sure they were quite honest. There were bad apples around. Some of the district chiefs were bad and some of them were excellent. So there was a whole range of them.

The official I most admired was the head of the refugee section of the Province government. He was small even for a Vietnamese so he was a tiny little guy but with great personality. He insisted on refugees getting what they deserved. So he struggled with the Major to make sure the refugees got their food commodities, building materials and money. We actually paid a little stipend to the refugees. He would go out with our refugee officer (FSO Larry Colbert for most of my time) and actually make sure they got the money. He was scrupulously honest. That guy, I am sure, made not one cent on whatever he did. So, there were all types.

My favorite was the Province chief, Col Ton That Khien. I really liked him. He was very well educated. He had come from Hue and clearly from an important family. His wife was a school teacher. He and I worked one little sort of illegal deal. He got paid almost nothing — and had no entertainment allowance — and yet was expected to entertain all the time. The way that he did that was to use the officer's club at Division Headquarters of ARVN, about a mile from our own offices. So one of our “AID programs” was to donate 4 or 5 cans of cooking oil per month to the officer's mess, and that paid for his tab. That was not legal, but I am sure it was in the cause of good.

Q: You had a very effective Viet Cong military organization, a battalion...

DILLERY: The 48th was famous and found very effective ways to keep us off balance almost all the time I was in Quang Ngai. We also had a North Vietnamese division headquartered in our province so the military pressure was pretty strong for most of the 22 months I was there.

Q: What were you doing with all this enemy military around?

DILLERY: We were working with the Vietnamese authorities to try to provide normal and perhaps some abnormal services to the communities. We were trying to work with the farmers to help them with irrigation problems; we were building schools and developing

teachers; we were trying to work with the police to provide security; we were training regional and popular forces so that they could provide military security.

It turned out that one of the things that really helped was to provide US military security to a hamlet or village for a short while to allow them to establish their own village structure and security system. During the last few months of my stay the Americal Division was very helpful in letting us use their units to just stay in a village for a few weeks. That gave the local authorities a leg up and really worked well.

Let me back up and say this. Clearly the Vietnamese peasant didn't care whether it was the government of Vietnam or the VC in charge in their area. What they wanted was to be let alone. So they didn't particularly like either side. We were trying to give them positive incentive to support the government by building roads, etc., while the VC was mostly punitive and would shoot people who didn't support them. The VC also collected taxes and the peasant didn't see much benefit from that money. Their big argument, of course, was that they were fighting against us and we were the foreigners. However, the peasants would have preferred not to have either of us.

So our job was to try to provide them with the wherewithal and training to carry out these positive activities. We were working with the bureaucracy. Mostly we weren't very much on the ground with the actual people, although in the districts our guys were cheek by jowl with them doing small AID projects like dams and water. In headquarters. We would be designing the projects and submitting proposals and getting money for them.

Q: We are talking about the time you were there. How effective did you feel you were?

DILLERY: I would say that we were beginning to figure out how to promote GVN authority and control over larger parts of the Province. One of the really important aspects was the American military and remember they were moving out. This was in 1968 and just after I arrived Nixon gave the speech about withdrawing the Americans.

But the Americal Division developed into a very helpful force. When I arrived in Quang Ngai, the Province Senior Advisor would go to Chu Lai — the Division HQ — about once a month to talk to somebody in the division to find out what they were doing. They would be curious about what we were doing. But basically they saw the whole thing as a military situation and all that they were doing had to do with “what do you do to deal with these military forces” and whatever happened to the civilian people and structures in between was too bad. They didn't think very much about the activities of life that were going on.

But this changed. By the time I left, and this is not necessarily due to me, the Assistant Division Commander was coming to visit us every week and he was finding out where we were building schools and where we were running agricultural programs and he was telling us where they were going have an operation or to do the B-52 strikes. We would say not to do them there because that is where we are building a school.

As you know, our military were very committed to the “body count” philosophy. They would do “Arc Lights”, B-52 strikes, — which by the way we could feel in Quang Ngai City even when they were miles away from us. Then a big job for the Americal was sending out units to find out what the body count was — this was called “exploiting” the Arc Lights. The VC was very happy with our military chasing around the jungle because they could take pot shots at our forces.

In the latter part of 1969, the Division changed their emphasis somewhat and gave us military support as I described. This did provide real security for villages and farmers and just kept the VC out so they couldn't get in at night and take money and give political harangues. The Division also set up Fire Bases with semi-permanent establishments and artillery which could be used over large areas.

As a result of this strategy, the VC appeared to become somewhat lethargic in the jungles and our area of influence kept going farther and farther out. When the VC could not move easily and didn't have the excitement of battle, they seemed to lose some zip. We would

find that if we could provide fire support and fairly small American presence in some of these farther outlying areas, that we could neutralize it. The VC couldn't move around very much. Basically our fire power was such that whenever there were big units we could handle that.

So during my period we saw things from that very tense period in 1968 get quieter and quieter until 1969 when there was very little military activity. Maybe the VC were just waiting to see us leave. But during that period the Government kept going farther and farther out in the Province. I can remember the airport, which was about five miles outside of town, was so bad when I first arrived that the VC used to shoot at our little airplanes coming in. We didn't get many visitors because of that.

A little while before I left, the Province Chief called and said, “I want you to go out to a village with me.” “Where is it?” “Fifteen miles past the airport — It used to be even further into the mountains.” None of us had ever set foot out there before. We drove out there and saw some of the structures being built with our materials. Col Khien said, “I want you to meet the Village Chief.” I said, “This village has only been here for two weeks, who is this Village Chief?” “Oh,” he said, “he's the VC Village Chief, but he has looked at the situation and decided to come our way.” So I took that as a sign that we were making progress. Progress maybe should be in quotes because the point was that it required a sustained American presence to provide the security. So it was illusory if you had to depend on the ARVN to provide that security that the Americans did. The bottom line was that we did provide security for the time I was there.

Q: How did you find the young Foreign Service officers without their wives and family were responding to all this isolation?

DILLERY: We had about five of them. The youngest one whose first assignment was out there and who has done quite well was George Moose. He already had the language and became the Political Reporter for the Province. He was single as were most of the young

officers. But several members of the team had families in safe havens — the Philippines, Thailand and Hong Kong. They visited them every couple of months.

Q: Moose is now the Assistant Secretary for African Affairs.

DILLERY: Yes, and several times an ambassador. What I tried to do was...first of all there was a little bit of Foreign Service kind of work to do. We tried to encourage internal political reporting on what was going on in the province. George did that and did a fine job. We used him because of his Vietnamese ability. Larry Colbert, who is currently our consul general in Tijuana, was another young officer there and was our refugee person. Paul Barbian was one of our district people. I think he left the Service. There was disillusionment because they didn't see this as what they had come into the Service to do. Because it was their first tour I tried to get together with them as Foreign Service officers and tell them that it wasn't going to be like this. But there were a lot of things that were the same as regular Foreign Service work. We were trying to get foreign officials who were sovereign to do what we wanted them to do what we thought was best. And a lot of what we do in the Foreign Service is that.

You have to remember that we were all assigned to AID. I don't remember what kind of arrangement it was between State and AID, but I remember getting overtime, the only time in my career that I got overtime. We did have one lovely time when Cecil B. Lyon, a real old-line FSO, came to be our inspector. He came to our province partly because we had four or five FSO's at that time. He was staying at my house and we all gathered for dinner. I remember we scored points with him. He was getting along in years by that time, so about eight o'clock we were all sitting around after dinner and he said, “Well, gentleman, I will retire for the night, we have a big day tomorrow.” He went upstairs. About 8:30 the Province Chief fired off a couple of illumination rounds from his mortar which happened to be right next door. Down came Ambassador Lyons wearing an elegant dressing gown and said in a somewhat excited voice, “What was that?” “Oh, that was just outgoing”, we

said. “Oh, oh,” and he went back upstairs. Later each of us got a handwritten letter from him saying, “Really proud of you guys out there under fire.”

Q: Everybody was reporting. No place has been reported down to the village level more than Vietnam on our part. You had the CIA doing it, the military doing it, AID doing it, your people and then the embassy people. Did you have province reporting officers coming out from the embassy to take a look around?

DILLERY: During my time we did not. I know that later or even earlier they did a lot of that, and possibly more in II or III Corps. Remember there was a Consulate General in Da Nang.

Q: I don't think it was a full fledged consulate general at that time. Terry McNamara was the consul and he was technically under me at one point, this was 1969 and it was sort of a consular office or something. It was raised to the status of a consulate.

DILLERY: There was somebody there when I first came and then Terry came at the end of 1968. So I had a lot to do with Terry. In addition to that we had CORDS regional office in I Corps. Chuck Cross was the head of that. He was a Foreign Service officer too. Russ Olson was his assistant. So there were several Foreign Service officers in Da Nang and we did quite a lot with them. And the consul did some reporting. That was our connection. There wasn't anything from Saigon.

Q: What was your impression in your area of the CIA operation?

DILLERY: Well, the CIA, of course, was heavily targeted towards the VC. They were trying to identify the VC cadre and agents through the Phoenix program. They had a lot of sources out among the VC. They really didn't intersect much with us. CORDS you will remember was founded from the old pacification program, the military advisor, the Joint US Public Affairs Office (JUSPAO), etc. So while the Phoenix program was nominally part

of CORDS, they were pretty independent in what they did. They did not brief us a lot on their reporting. We saw results from their actions and occasional reports from sources.

Q: But you weren't in the position of calling in strikes and that sort of thing?

DILLERY: Well I wasn't but our District Advisors, all but one was military, did call in artillery and air strikes to support regional and local GVN forces so the Advisory Team did in a way.

Q: Did you have anything to do with the news media? Were they around much?

DILLERY: We did when My Lai broke. We had a reporter once before that in early 1969. Around Christmas time 1968 we organized an operation involving the ARVN, the Americal Division and a Marine unit to try to flush out and surround the 48th Battalion. The concept was to use five battalions to surround the area of the 48th and then close the net. Our part of this operation was to avoid an incident like My Lai.

For this operation we tried to get all of the civilians out of the villages that would be impacted and move them to a temporary camp we built for them. We ended up with about 12,000 people in the temporary camp. After things quieted down a bit, we moved them from that camp out to the sea side, which was only five or six miles away, and then back to their own villages after it was all over. It was about a three month process. During this time the VC got a story out that we had taken these people out to sea and thrown them overboard with chains tied to them to drown them. A reporter came to look into that report. I talked to him and disavowed that as happening. I was on national TV for about 15 seconds as a result of that. A moment of fame.

And then when the My Lai story broke in late 1969, a lot of press came. The most notable was Henry Kamm of the New York Times who arrived in Quang Ngai just at the time that the My Lai story was breaking. He stayed in my house because there was no other place

to stay. So he was calling in his stories from my house at the same time the story was breaking. It was a little bit sensitive dealing with him, but he was a good guy.

Q: What was your role during the My Lai investigation?

DILLERY: My own experience on My Lai was in mid-November, 1969, (I was going to be leaving Vietnam about the 15th of December). I was in my office doing some routine work, and all of a sudden one of the staff came in and said, “There is somebody here from the OSI.” A Mr. Feher, a very imposing person, came in and I thought, “Uh oh, they have caught me misappropriating funds.” I had a little slush fund of about a thousand dollars a month. You weren't supposed to use it for labor but it turned out that one of the better things we did was repairing pot holes. So I used some for that. That was the only thing I could think of.

Anyway, Mr. Feher came in my office. He had a dossier about six inches thick which were the pictures of My Lai and reports about the incident. Looking at those pictures caused me to...it was like a light bulb going on...in about a tenth of a second to remember all these rumblings about operations in Quang Ngai in 1968 — the same ones you said you always had heard — and I realized what had happened. I said, “I better go talk to the Province Chief about this.”

So I took the file and went upstairs to see the Province Chief. It happened that the Son My District Chief, that is the district in which My Lai is, was in the building there for a meeting. I showed Col Khien the pictures and said we had something very serious on our hands here. He called the District Chief out of the meeting and they began to talk. I didn't speak Vietnamese but I could tell they were saying numbers of casualties bigger than anything I had seen in the dossier. He said, “What should we do?” I said, “Well, my first piece of advice is don't try to cover this up because if you do it is going to be worse as it is out now. I can tell you in America you get into more trouble if you try to cover it up than if you just go

with it and let people have access and find out what really happened, bad as it might have been." He actually followed that policy for awhile.

Then it turned out that the investigator wanted to interview the people who had been involved. He did that at my house. This was a little bit of a drawing room comedy because Henry Kamm was there. I didn't want Henry to be in the room with the investigator and the district chief, etc., so I had to move one group into the living room and another gently out — but it worked out okay.

Mr. Feher stayed for a couple of days. I hadn't been in Quang Ngai when the incident occurred the time of the incident, but it turned out that a number of my close associates were implicated, at least in the reporting on the incident. Our Deputy Province Senior Advisor in 1968 was Lt. Colonel Bill Gwynn, a good friend and a superb officer. He was cited in the final reports on the incident in connection with the reporting on the incident. He was a good friend and good guy.

There were a lot of questions about the "cover up" of the incident. I must say that it was well enough covered up in 1968 and most of 1969 that I didn't know anything about it. I did testify before the Peers Commission, General Peers, who carried out the investigation of the cover up. I told them everything I knew which wasn't very much.

I had been in My Lai several times because the Province Chief took me out there a couple of times in 1969. I remember being in a meeting with the My Lai villagers and listening to him talk to the people. It wasn't anything particularly different than being in any other village.

Q: Could you explain what My Lai was?

DILLERY: Sure. My Lai was the incident in January or February, 1968 where an Americal Company headed by Lt. Calley was on a mission in the Batangan Peninsula, about 15 miles east of the capital. The Americans came to the village of My Lai and for one reason

or another killed a large number, said to be possibly over 500, Vietnamese villagers. The incident really was one of those things that led to the American public's final negative reaction to the Vietnamese war. It was a very, very powerful public relations event. It was a real tragedy.

To put it in perspective, it happened just a couple of weeks after TET and this particular company was brand new having just arrived in Vietnam. By the way, remember the Americal Division was made up overseas, it had never been formed in the US and wasn't a traditional one. So everybody always said it lacked a little bit of cohesiveness.

Calley was not very secure in his leadership. The Company had been told they were going to run into strong opposition in this village — from the 48th Local Force VC Battalion. They also had been told that there would be no civilians present since all would be at the market in another village — but they did not go to market that day. It looked like panic just took over. The Americans just started shooting and it went on from there.

Then there was no reporting at the Division level about the incident. Members of the Company and a photographer who accompanied them did try to raise the issue but inquiries did not get very far. As I mentioned earlier, there were several investigations — even Major Colin Powell conducted one — and there were questions afterwards, but the story didn't break until late in 1969 when it became a major political issue in the United States.

Q: Is there anything else you want to mention?

DILLERY: No, I think we have covered it all.

Q: You left when?

DILLERY: I left in December, 1969. I returned to Washington and was assigned to the Office of the Chief of Naval Operations.

Q: One last question before we break. When you left Vietnam, how did you see wither Vietnam?

DILLERY: I guess I was discouraged because I did not see the will on the Government of Vietnam side that there was among the VC. There were really four groups, Vietnamese government/military forces, Communist security/military forces, VC supporters, and the peasants. Despite all the things we had done, I don't think there was a broad base support for the Government of Vietnam as such, whereas there was a small amount of support for the VC which was dedicated and passionate. So I left with the sense that the departure of the American security forces would have negative effects. I didn't see the total end of it at that time.

Q: Okay, we will break.

Today is Good Friday, and also April Fool's Day, April 1, 1994. Ed you were in the Department of Defense from 1969-72.

DILLERY: Actually that is not quite right. I was there from 1970-71. I started out in January, 1970 and left in the summer of 1971.

Q: What was your job?

DILLERY: I was part of the Defense exchange program. At that point we had 14 State Department officers assigned to various parts of the Pentagon, mostly in the Office of the Secretary of Defense in what used to be called ISA, but also in the Joint Chiefs and then in each of the Services. We had two in the Navy and I was assigned to the Navy. I was in the Office of the Chief of Naval Operations in their international affairs division.

Q: Who was the Chief of Naval Operations?

DILLERY: Thomas Moorer was the CNO at that time.

Q: So he was a real Vietnam hand.

DILLERY: Yes, he was. The other sort of famous person that I shared an office with at that time was the head of the East Asian branch of our general division and that was William Crowe.

Q: Oh, yes. He became Chairman of the Joint Chiefs, CINCPAC and now Ambassador-designate to London. We are beginning to disengage in Vietnam. What was your main job?

DILLERY: The section I was in worked on issues like clearances of ship visits, base rights, other kinds of diplomatic things that were needed for naval activities. Our little section were participants in the Law of the Sea, although I didn't, myself, work directly on this, insofar as it affected free transit. So it was really the operational side of the Navy. The most interesting task that I had during that period was the establishment of the naval facility on Diego Garcia, an island in the Indian Ocean. It was at the beginning of that effort. By the time I arrived we already had something called the British Indian Ocean Territory — or BIOT ...

Q: Could you explain what Diego Garcia was?

DILLERY: Yes, I am coming to that. So years before we had negotiated something called the British Indian Ocean Territory which was composed really of four sets of islands, because our planners had foreseen the possible need to have some sort of facility in the Indian Ocean. About 1969 we settled on the idea that we should actually move to set up a modest facility somewhere in the BIOT. They picked Diego Garcia which is an archipelago in the middle of the Indian Ocean for what was then called an austere naval communications site. It has now developed into a major base and was A major support facility for the Gulf War. To go back to the British Indian Ocean Territory, at that time all of these areas were under the aegis of the British. For instance, Diego Garcia was

actually connected with Mauritius, strangely enough, and in order to keep Diego Garcia as a colony, Britain paid a lot of money to Mauritius. My job was to begin to write the first specific agreement with the British on Diego Garcia and how we were going to operate it. The office in the Navy that was controlling that was the Communications Headquarters and the project officer and myself went out to brief the governor of the British Indian Ocean Territory, who was also the governor of the Seychelles. That was among the more interesting things I did during that period.

Q: When you were doing this, what was the State Department input and particularly from the reaction of the Indians to this whole business?

DILLERY: Strangely enough there wasn't much concern about it. There was a little negotiation with the Mauritians because one of the attractiveness of Diego Garcia was that there was no permanent population, so it would be possible to use as a base. However, there were coconut plantations there at the time and what the British liked to call transient Mauritian workers...it turned out they had been transient for about 150 years...but there weren't very many of them. Their repatriation was something that had to be negotiated. But as far as the Indians and any of the others on the rim of the Ocean were concerned there wasn't much of a reaction. In fact, the Department sent out a cable during that period to the littoral countries asking them what the reaction of the countries would be to the establishment of a base on Diego Garcia.

Q: We are talking about Tanzania, Kenya, Madagascar, Gulf States...

DILLERY: All the way over to Thailand really. I can only characterize the reaction by the answer we got back from I think it was Bangladesh. The Ambassador said, “The Bangladeshi think that Diego Garcia is a Cuban cigar.” And that was about the level of interest we got. Nobody raised trouble.

Q: What about port visits? What were some of the considerations that came up? I can think of a couple. The New Zealand situation comes to mind. Was that a problem at that time or not?

DILLERY: New Zealand was not a problem at that time, but the problem that we now have with New Zealand was precisely the main issue we faced then. The particular issue is our “neither confirm nor deny” policy. Remember Admiral Rickover — the father of the nuclear navy — was still alive and kicking. The question was access to other countries ports by US Naval vessels of all kinds. There were two problems here, nuclear propulsion and nuclear weapons. Everybody knew which ships were nuclear propelled because that was not a secret, but on nuclear weapons we had a policy to “neither confirm nor deny” whether there were nuclear weapons on a ship.

The main country that we had to deal with at that time was Japan because we had major naval facilities in Yokohama at that time. Working out a formula by which we could have entry, and the Japanese wanted us to have entry, and yet meet their political needs was a tough problem. That is where the “neither confirm nor deny” came from. Then, whenever anybody else would raise that issue we would have to think of Japan because it was vital to keep the Japanese access.

Q: I am sure there were plenty of times when you would want to say, “Well, Hell, we don't have anything on this destroyer,” but you couldn't get into that because that would weaken our position.

DILLERY: Exactly. And under Rickover NCND was holy scripture and there was no deviation from it. Even the slightest deviation would cause problems. Even in those days the New Zealanders were among those who were pressing us to...well, they weren't saying that we couldn't come and not too many countries had actual legislation that prohibited nuclear visits, which came later in New Zealand. But that was kind of the main element of the ship visit issue. There were others. Sometimes there was a question of an immediate

political problem. Do you have a ship visit during a time of internal political turmoil or is this seen as something in those days as a counter to a Soviet action and would have some kind of political impact. We had to deal with those kinds of issues but they were secondary to the nuclear question.

Q: Did you run across the germ of the idea that developed a year or two later and that was home porting in a carrier group in Yokohama, Japan?

DILLERY: There were interesting things that went on with Greece and Turkey during that time and we had a facility on Crete where we did have an anchorage. But, no, home porting was not yet a problem. I did, however, get involved in that on my next assignment.

Q: You really represented the State Department, how did this affect your military colleagues and your work?

DILLERY: I found that it was a very interesting position to be in because if you were seen to be a mole...

Q: Explain what you mean by a mole.

DILLERY: Well, of course, Rick Ames was a mole in the CIA. That is to say, if you are seen to be really a representative of some other agency on loan to the second agency for the purpose of spying on that agency you really will have no access. So your first job as an exchange officer is to convince your hosts that for this period of time they will come first in your affections, recognizing that they know and you know that you have to go back to your old agency.But on the other hand, they want to know how the State Department operates and most particularly the kind of information that you can give them that is useful is where to go to touch the right buttons. Also you can give them a sense as to what the Department's reaction might be to given things and you might even be able to prevent things that are going to grow up into controversies. And you can make things that they are doing together go more smoothly. So I felt like I was pretty much able to do that.

My Naval friends are still very good friends of mine. Of course, I think probably the Navy, as opposed to the other branches, because of the ship visit aspects and because of the modeling of the Foreign Service personnel system on the Navy and lots of other factors—a lot of Naval people come into the Foreign Service—it seems like there is a special relationship between the Navy and the Foreign Service, and they recognize that as well. They think of themselves as kind of diplomats anyway. They are obviously military people first, but they definitely are very aware of the diplomatic impact of all of their activities. So it was a very pleasurable year and a half.

Q: Things were going relatively well in Vietnam at the time, was the Navy focused much on Vietnam at that point?

DILLERY: Interestingly enough the Navy had their Swiftboat force in the Delta commanded by an admiral. In fact, Bill Crowe who was then a captain, was assigned to replace a rear admiral and shut down that operation. Remember this was after President Nixon had announced that we were going to withdraw our forces. One of the last major elements to go was the Navy. So the Navy was involved and did at that point pull back and then moved all of our operational units from the area. That was the major foreign policy part that we were doing about Vietnam.

Q: What was the impression that you were gathering from the Navy people you were talking to about the Vietnamese navy?

DILLERY: They really didn't have a lot to do with the Vietnamese navy. They operated pretty much independently. Most of the US Naval activity in the war was in two phases. One was the air activity against North Vietnam and the other was the Delta. I think in both cases they didn't have a huge interface with the Vietnamese navy. So, frankly, this wasn't even an issue.

Q: Did you get a feel of how the Navy was thinking in those days about the Soviet Union?

DILLERY: Perhaps the most interesting aspect and one in which my office, but not myself, negotiated...it was the time of the first agreement with the Soviets to avoid incidents at sea. We were coming to the realization that we were obviously adversaries or at least protagonists, but we weren't at war. Yet there had been several cases of collisions and many other cases of near misses. Finally they began to have an interface with the Soviet Navy on rules of engagement with regard to incidents at sea. So they certainly respected the Soviet Navy and thought they were going to be a worthy adversary if they ever had to go into a shooting war with them. In fact, they thought they were pretty good negotiators too.

Q: Do you have anything else you want to add about this tour?

DILLERY: Well, I have heard lots of debate since I left about the fact that these have not been valuable assignments and a lot of people didn't like them. But I certainly felt it was a very important part of my career and wish that it would be something that would be seen as a valuable experience for a Foreign Service officer.

Q: I think we are talking about one of the structural problems. These assignments, which really are enriching, there is no doubt about it—we bring something to the other agency and we bring something back from it—but the problem is the promotion system and all that. It is very difficult to get that translated. That is a structural problem within the Foreign Service, which is unfortunate.

DILLERY: Yes. I think now these are seen unfortunately by management as really kind of non-productive assignments. As assignments which don't contribute directly to the work of the Department and therefore are...in other words they are non-reimbursed details and of course we are thinking in terms of money. We are getting their military officers who come our way as well, so it isn't as if we aren't getting something for it, but it is seen as an outflow of resources.

Q: Then you continued sort of in the Defense Department complex.

DILLERY: That is correct. I moved from being in the Office of CNO to... Oh, let me tell you one more anecdote.

Q: Please do.

DILLERY: One of the enjoyable parts of being in this office was that in Op 61 (they called the divisions Ops, Op 61 was the international affairs division) I was occasionally the duty captain. I thought that was rather amusing, but the other captains were very glad to have somebody take one of the Saturdays when you had to come in.

I moved from there to the Department's Bureau of Political/Military Affairs working in that part of PM which was really doing the same work exactly that I had been doing. The office was International Security Operations (ISO), headed by Jock Stoddart. There was a naval captain who was number two in the office. Our job there was for all the Services, not just the Navy, but to take care of all the operational problems of the US military. In other words, all the base rights, all of the ship visits, all of the aircraft clearances, and those kinds of issues were handled in the office. I was there for a year and a half.

At that point the home porting idea came up and we massaged it and coordinated with the regional bureaus on the specific places they were interested in. There weren't any home porting activities yet, but they were beginning to talk about it at that time.

Q: A theme that comes through again and again is that on base rights and status of forces agreements and all, when our people in various countries try to negotiate these things, it is not the country with whom they are dealing that is the problem, but it is basically the lawyers of the Department of Defense who want to get everything and seem to have very little political feel for both the art of the possible and the sensibilities and all that. Did you run across that as a problem?

DILLERY: Yes, that was a problem. The famous office in DOD that handles these things is called Foreign Military Rights Affairs. The man who was in charge of it at that time had entered the Pentagon on the first day of its existence and I believe he is still there today. That would have been around 1943. So he has been there now for 51 years. Back in those days there still was that feeling that countries should think that having American military based in their country was an advantage to them. We always pointed out that their were economic as well as security advantages to them. And there was a very strong sense that as in the early days of NATO or like when there was a real war on, that we would not give up the jurisdiction over our soldiers for anything. So, we therefore wanted essentially extraterritorial enclaves and extraterritorial control over our personnel even while they were outside the enclaves. That was not just Pentagon lawyers, however. That was certainly a policy that was supported by the US government writ large, including, I think, especially the Congress. One of our problems following World War II and during the time of the Cold War especially, was that we sort of had the feeling that everybody should recognize that we were the protectors of the free world, they needed us. We didn't take into account their own senses of sovereignty. I think that still exists to a certain extent.

Q: Oh, it does.

DILLERY: And, of course, the Pentagon has been the strongest because we have this tradition...I mean we are wrestling right at this instant with the idea of putting our troops on peacekeeping activities under command of officers of other countries and really under UN rules and not under our direct rules. We are not getting very far even now in being able to deal with that. So, obviously that came up in every base negotiation and it just depended on how badly we wanted the base.

Q: Did you get any feeling of tension between the Department of State and the Department of Defense or were they kind of working together fairly well on this?

DILLERY: The Department of State in recent years has frequently been more aggressive about thinking of using military assets for policy ends than DOD. Remember that this was still the end of the Vietnam period and that was the issue that was dominating so much of our resources which were still going to Vietnam. I think there was pretty good collaboration on that. It was in the Nixon period. Kissinger was coming to dominate the foreign policy apparatus. I don't think there were any major problems on that score with DOD.

Q: You left there when?

DILLERY: I left there in 1971 and went to the Industrial College of the Armed Forces, where I got my masters degree in Public Administration from George Washington University. I wrote my thesis on the length of base agreements and my main point was that if you took a chart from the earliest base agreements, those with the Philippines early in the century — which were in perpetuity at that time, to World War II Lend Lease where bases were for 50 years, down to the latest ones. One of the most recent at that time was for the base in the Azores, which was a renewal — by the time we got the base agreement there were only eight months left to go before it expired. So you could draw a curve that would show...after the Philippines then there was Guantanamo in Cuba, then we came to the Lend Lease and it kept getting less and less. It reflected what you were talking about which was the change in the attitude of countries in thinking that having US bases was an advantage by itself, to thinking that it was a cost to them and they should be reimbursed. That was my point.

Anyway, I was there until 1973, when I went to London as political/military officer.

Q: You were in London from 1973-76.

DILLERY: That is correct.

Q: What were you doing there?

DILLERY: For two years I was the political/military officer. Actually I was sort of a co-equal, again doing exactly the same kind of work I had done before. DODSA had people stationed abroad in our embassies who were basically political/military officers and there was one in London. So we had one section with no head. He might have been senior to me, I don't know, it never became a problem. He did have a bigger office. So there was a DOD civilian and myself and we were the political/military office, a division of the political section of the embassy.

I did that for two years. Again it was operations. We were relocating the headquarters of our Air Force from an airfield near London out to a place up in Norfolk. We also had a few little things about nuclear submarines and Holy Loch, and Diego Garcia was still bubbling along.

For the last year of my tour I was deputy head of the political section. I think we had eleven or twelve officers in the unit. There was a deputy to sit in for the counselor, so I was deputy. In that year I was really the gatekeeper for reporting and the editor and task assigner and that sort of thing. I didn't do a lot of reporting myself, but did some. I really managed the section and made sure that we were meeting deadlines.

Q: Going back to the political/military side, how were our relations with the British military at that time?

DILLERY: Oh, they were good. I don't remember anything in which we had arguments with them. We would be trying to negotiate small points to our advantage. At that time, for instance, the nuclear issue first surfaced with regard to the presence of nuclear weapons at our airfields. This became a big political issue later on but was not a problem at that time. There was still quite a lot of Cold War feeling so there was no particular problems about American troop presence. It was really a question of just normal diplomacy again. No strong tensions.

One of the things we did at that time...it was the beginning of what used to be called MBFR (Mutual and Balanced Force Reduction), trying to work out an agreement with the Soviet bloc to reduce forces in Europe. This was a huge operation with the center in NATO. But, since the British were our closest associates, we did quite a lot of work with them in London. That was another aspect of our work and maybe in some respects the most fun.

I remember the chief person I worked with, who was later their ambassador to the UN, Crispin Charles Cervantes (CCC) Tickell. We did have an argument because the US government position led by Secretary Kissinger was that we should not go in with a negotiating position which was not what we really wanted, i.e., not a traditional negotiating position, asking them to give more than we expected and trying to allow us to give less. Kissinger wanted to go to the soviets with our bottom line and stick to it. And that tactical question of the negotiations was perhaps the most interesting one we had to deal with because the British were very much in favor of more normal negotiating tactics, build in some leeway on both sides. So we had a long back and forth on that. I don't think it was solved by the time I left.

Q: When you were being the gatekeeper and watching this...as part of what we are doing with this oral history program, I have been collecting excerpts from people who were political officers to be used as a political officer reader. I would like to get a feel for...here you are in England which is well reported in beautiful prose by their papers, our papers and all. I am talking about internal British politics. How much do we have to get concerned with this except to say here they are and read the papers.

DILLERY: Of course that is a big question and I believe that in past years and probably still now we duplicated a lot of stuff that was in the Economist to say nothing of the New York Times. Everybody has reporters in London and there is a lot of academic work, etc. I think it is a little different than that. We did have officers who watched each of the major parties and, unlike many other places, it is possible in England to really get to know the political leaders and comers. So our somewhat junior people who followed the parties went to all

of the party conventions and were hanging out in the party offices and were in Parliament frequently. They did a lot of entertaining. Interestingly enough the Labour MPs would come to our parties and the Conservatives didn't so much. The Conservatives were much harder to get to know. They were much stuffier and more insular.

Q: It is more of a class thing.

DILLERY: Exactly. And, of course, our political officers were young, normal Foreign Service officers and probably a little bit liberal oriented, so they had great access to the Labour Party and would be near the center of party activities and have access to things that reporters probably did not know. But this insider information really is secondary to the more important activity of getting to know current and future leaders. So we do our political reporting on stuff that is sexy and fun, the intrigue of the internal stuff going on in the parties, but what is really important is to develop a feeling for the parties and people so we will have a good idea what their reaction will be to what we want the UK to do and to give us guidance as to how to approach them. That runs through the gamut of everything from biographic reporting, so that you know individuals, down to sentiment within the party and how the labor unions might impact on the party, and that sort of thing.

My best example of this was, I guess it was when Ted Heath came in as Prime Minister and Walter Annenberg was Ambassador, this was before my time, but the Conservative Party reporting officer at that time was Bill Galloway. All of a sudden the Tories came in and Bill was the only person in the embassy who really knew them. He became vital to our representation and reporting activities because he could call up people and had an access that really nobody else had. So there he was being able to do this and as a result, he went from being the Conservative Party reporting officer to being the head of the political section to becoming the special assistant to the Ambassador. He became so useful to Annenberg that I think he stayed on for eight or nine years.

So, we may do too much political reporting, but on the other hand I think you do want somebody there who really knows a couple of layers down from what you get out of the press.

Let me add one other thing. In a place like England you have one other aspect that you don't have in many places and that is that their interest in world affairs is about as great as ours. So that we had a Far East watcher, a Middle East watcher and an African watcher, who worked with their people on these areas. We would gain a lot of intelligence from them as well as kind of coordinating policies and that sort of thing. Some of our famous ones: Ray Seitz was the African watcher and he is now the ambassador. So when I said we had thirteen or so in the political section, a good three or four of them were of that type just doing external reporting.

Q: It really is quite a unique operation.

DILLERY: I think we have a similar thing in Paris.

Q: Yes, I think we have the other watchers in Paris too. Of course, one of the things as you were pointing out is that it is not just reporting on things but developing contacts which means that when things come up you can call up and be able to find out where things are done and how things are done and what is going to happen. This takes quite a bit of legitimate work just to get to know the people involved.

DILLERY: Take an important case. Thatcher's current head of loyal opposition, Neil Kinnock, was a junior MP when I was there. Our Labour Party reporting officer, Jack Binns, was a real friend of his. He was a great party guy and would come to all of our parties and talk to all of us. He and Jack were on a first name basis. So Jack became the political counselor when Kinnock got to be the leader of the Labour Party. Literally, Binns could call up and have access to him at any time. So that is another example of what I am talking about.

It is a two way street. One of the aspects is to know what they are doing and we want good reporting. By the way I think we find that our analysis is hopefully written in such a way that it is more aimed at supporting decision makers than to provide general knowledge. And the second thing is we want channels to get our messages to them and that is what they do.

Q: Were there any issues where the United States and the UK were having problems when you were there?

DILLERY: I mentioned that MBFR problem which was a tactical issue. Clearly this was now coming to the end of the Vietnam period and the British were supporting us on Vietnam. You have to really put yourself back in that time to realize how much the US was focusing on Vietnam. NATO was relatively quiet at that time. There were no immediate crises. Basically we were pretty much together on almost everything.

Q: Were you getting from your British counterparts a fascination about the Henry Kissinger phenomena?

DILLERY: Oh yes. And he was there a lot because he liked to go to London. It seemed he ended up there very two or three months. He knew everybody. The British press was fascinated with him. The British, while very interested in their own stuff, reporting on the United States is almost as good as it is here. He certainly was the most fascinating person of that Administration.

Q: How did Watergate play? You were there at that time weren't you?

DILLERY: Remind me when Watergate was.

Q: I think it was really 1974.

DILLERY: I don't remember having to explain what happened. I think they were amused by it but there was no great feeling one way or another.

Q: Who was our Ambassador most of the time?

DILLERY: Well, there were actually three during my period. First of all it was Walter Annenberg, and then it was Elliot Richardson and for a short period it was Anne Armstrong.

Q: Did you get any feelings about these ambassadors or where they off doing their thing? Did any of them strike a particularly decisive note or something within the embassy?

DILLERY: Well, all three of them were memorable and were good ambassadors, each in their own way. Of course, Annenberg was a real interesting person. He was serious about being ambassador. He was very generous, that was the first thing you noticed. He took no representation money and gave all the government funds to the embassy, using his own money for representation. He was also very good with staff. He had occasions where he was with staff. Even fairly junior members were invited to the residence quite frequently. He was very close to the highest levels of the British community and had excellent entree to the conservative side of things — and they were in charge at that time.

Elliot Richardson was even more active across a wider spectrum of people. By the time he came out I was deputy head of the political section and frequently acting head of the section. So while Ambassador Annenberg was into society, the nobility and lots of that kind of thing, Ambassador Richardson seemed to want to get to know every inhabitant of the UK. He would make trips to all parts of the country where he would meet with the boards of labor unions and take trips to cities and meet mayors. He always took someone along with him so we went on that kind of trips and increased our knowledge of the UK. For knowing the widest range of people in the UK and being an activist in his own right, Richardson was that.

I was there for just a few weeks when Anne Armstrong was Ambassador, but it was clear that she was going to be very active, very serious, and very much of a manager. She had set goals for what she wanted to do and really ran the embassy. She was a strong personality

Q: One last question on the UK. We alluded to it before, but I am always surprised, being first cousins and all, that when you get one slice down you realize how pervasive the class system is in the UK. Did you find that this was something with which political officers particularly had to deal and to understand?

DILLERY: Certainly to understand. It came up mostly in the political sense, but I will tell you one anecdote which may be one of the highlights of my whole diplomatic life. My DOD colleague, Jack Reed, and I were squash players so we wanted to have a place to play squash. There was an English club that traditionally accepted Embassy and Naval personnel (from the Navy headquarters across the street from the Embassy), the Bath Club. It was an old, British men's club (although it now had women members) and you know that is kind of the epitome of the upper class. This one had been the place where the present Queen Elizabeth had learned to swim before World War II. The building she used had been bombed and the club was now in a new location a couple of blocks from the embassy. The legal attach# of the embassy was the one embassy member when we arrived. He had been there quite a while and arranged for us to become members and then he unfortunately passed away.

Meanwhile, some other people wanted to become members; they asked if we would put them up for membership and we did. I think there were probably five or six of them and you had to get proposers and then several seconders before they would come up for formal membership. Their names were on the board for about six months and nothing ever happened to their applications. Then all of a sudden an invitation came in the mail to Jack

and me inviting us to dinner with the committee of the club. We thought maybe it was an annual thing they did for new members.

When we got there it was just we two and the committee. The club was closed except for us that night. The “fag” of the evening — a British term for the junior member of the group, who kind of waited on tables was the heir of the Guinness stout family. We had a magnificent meal and there was a great wine cellar. By the way, there were lots of Peers in this club as well. So about half way through dinner...I was seated next to the chairman of the club and Jack was next to the president...the chairman turned to me and said, “We are awfully pleased to have a few colonials in the club, but we want to make sure they are the right sort of chap. You know the sort of chap that you would take home for a fortnight.” And I thought, “Oh, I see — I don't know anybody I would take home for a fortnight.” At the same time the other head of the club turned to my friend and made a similar comment except he said, “Now you take my partner, we have been in business together for 23 years and I bring him to the club for lunch but I would never put him up for membership.” So I think we got a great preview of how the system really worked. And it is still there, there is no question about it. By the way, we passed muster and all of our nominees to the club were approved the next day.

Q: Then you move from this congenial area to something quite different.

DILLERY: Actually I might just tell a little anecdote about that. It was in August 1974 and you will remember that our Ambassador, Rodger Davies, was killed in Cyprus. That was the time when the Turks came into Cyprus. The Greeks would call it invading and the Turks would call it arrival of a peace force. It started in July, 1974. This caused the split of the island, which was a very sad occasion. When Davies was killed, they took emergency action to find a new ambassador. They settled on a former Cyprus DCM, William Crawford, who was then Ambassador to Yemen. He was actually on vacation some place and they dragged him back.

Q: He was climbing the mountains of Norway or something like that.

DILLERY: Right. So they quickly got him in route. Dean Brown had gone out to be temporary ambassador. They brought Crawford to London and the Brits...it had been a British colony and they were still an importance presence there and part of the peacekeeping force. The embassy officer who watched over Cyprus in those days was the Middle East watcher, George Lambrakis. He was on vacation in August when the killing took place. I happened to have the office next door to Lambrakis so I took care of Ambassador Crawford for a couple of days and went around with him.In late 1975, or maybe even January, 1976, there was a Chief of Mission conference in London and when Crawford came at that time his DCM was leaving and because of those two days exposure, he asked if I would like to come to Cyprus and be DCM. I was very flattered and agreed to go. That is the story of how I got there. It really wasn't because I knew anything about Cyprus.

Q: You were in Cyprus from 1976-78. What was the situation on Cyprus when you got there?

DILLERY: Well, it was still very tense. There were lots of refugees and a lot of tent refugee cities. So there were a lot of people who were really certainly emotionally, if not physically, suffering still on the Greek side. The Turkish side was still kind of wild. They had appropriated more territory than they could...not than they could manage, but it was unpopulated and still kind of wild westy there. But the Greek Cypriot and the Greek American community were all still reeling from this situation and very, very frustrated and angry and very much feeling that the United States could have prevented the Turkish landings. What almost bugged the Greek side more than anything else was that when the Turks landed in 1974, they kind of took a...just to give you a little picture, the island, if you take off the panhandle is about a hundred miles wide and fifty miles deep. The panhandle extends out another hundred miles to the northeast. In July, the Turks took a narrow wedge from the town of Kyrenia on the North Coast down to the center of the island

including part of Nicosia. In August, the Turks carried out a “second invasion” in which they fanned out and took the northern thirty six or thirty seven percent of the island. Before that they had less than twenty percent. They said they did this as a security measure. The second attack and the fact that nobody stopped that caused another wave of anti-Americanism. That was when Davies was killed.

By the time we arrived in 1976 it was still a very, very intense situation. In fact, I had to go a few months earlier than I had planned because Ambassador Crawford said please come in May because I have been invited to a Cypriot dinner party and it is the first time since 1974 that I have. It is important for you to meet these people and by the way I wouldn't be invited by a lot of people, but these are the moderate people who are willing to begin to have commerce with us again. So there was a very, very strong sense of anti-Americanism. It was aimed at the US government. Kissinger was a very bad word there. They felt his policies towards Greece had caused the Cyprus tragedy because it had all happened in the wake of the colonels takeover in Greece.Most Greeks and Greek Cypriots felt that our pro-Greek Colonels policy had started the whole thing going years before. But we had supported that right wing Greek Government, opposed the leftish (or at least neutralist) Makarios in Cyprus and then we hadn't done anything to stop the Turkish Forces in 1974, and all those things. The Turkish Cypriots were less angry with us. They were happy enough with the status quo but they were worried that we were trying to push them back into a smaller piece of territory and trying to get them to move into some accommodate with the Greeks that would amount to concessions on their part, which, by the way, they should make.

So it was a very difficult situation in both places. Each side was wanting to convince you of the rightness of their cause. Every conversation was the same and the US always was to blame. For outsiders it was very hard because every conversation turns to the Cyprus issue with both sides having “right” on their side and can't understand how an outsider cannot support them. Of course, it also is almost the Middle East where the “friend of my enemy is my enemy”. So they cannot conceive how you can have a good relationship

with both sides. It was a fascinating diplomatic situation because the island was small enough and the players were few enough that you felt that you could have a personal impact on the situation. We could serve as message carriers between the two sides and as advocates for s settlement that would have to be satisfactory to both sides, meaning that both would have to give some concessions...it is like Bosnia right now...they will only have an agreement when they are both ready. How can we help them to get ready.

Q: What was your impression of the Greek Cypriots?

DILLERY: What do you mean by impression?

Q: Could you deal rationally with them?

DILLERY: Yes. First of all the Greek Cypriots are a very, warm, able people who are very kind and generous. You have to remember that Cyprus has been invaded by waves of people over the years and always has been a place where one force or another has been sweeping through from the Egyptians and Phoenicians and the Crusaders. And then, of course, it is a very big trading center. So they are very adept people, very good negotiators, and business people. They are very well educated with a very high literacy rate. As a group a very articulate and bright people. At this time, of course, very frustrated. And they are also very nice and very friendly. It is one of the few places where I felt that I had real friends, even though I wasn't always recommending to them things that they wanted to do all the time. It was a great place for that.

With a Turkish Cypriot, particularly, you had to be very careful about attributing anything good to the other side. Neither side could see anything good in the other. The Turkish Cypriots would hark back to the point when they felt persecuted by the Greek Cypriots before the 1974 events and the Greek Cypriots saw all the things that happened in 1974. So, in both cases they felt very wronged. The northern part of the island where the Turks were is the most beautiful part. So there was a tremendous amount of pain there for the Greek Cypriots; you had to be sensitive to that. You could only push them so far, and that

wasn't too far. The Turkish Cypriots still, and the people who did it...the “President” of the Turkish side, Rauf Denktash, had actually been sentenced to death some years before with the support of the person who became President of the Greek Cypriot side when they captured him once. Denktash got away or I think there was an intervention by the British and he wasn't killed.

Q: Was this Denktash?

DILLERY: Yes, and he is still there, of course. So these are strong personal problems. But as to being wonderful people to talk to, you could. They wanted to talk about the subject so you just had to be careful in your presentation and keep making it clear that you understood where they were coming and that you were sympathetic to their plight but that the important thing for them to do was to realize that no matter what the background was, they had to come to a situation where they could agree with the other side. So you had to develop some sort of formula which really meant that both sides would have to give up on something.

Q: I had been in Greece as consul general in Athens in 1970-74 and left just before this happened. With the Greeks, when you got on the subject of the Turks, all of a sudden you moved into an area of almost irrationality. It is a tribal conflict of great magnitude. My feeling was, in this case the Cypriots had asked for it putting in an impossible regime with this guy Sampson so what I gather was that you really had to be careful not to go back to where things happened, let's talk about the future.

DILLERY: I think you had to. When they talked about their pain of past history, you had to not discount that, because if you just brushed it aside...it was sort what you hear about Bosnia when they asked somebody why are you angry at the Moslems and they said that in 1387 they did this to my family. Memories go back a long way.

A couple of examples. Best friends who lost their homes in the north from the Greek side. Kyrenia is probably the prettiest little town and that became a Turkish Cypriot town.

Many of our friends had homes there. The mayor of Kyrenia was a good friend. One of our friends' great passion was walking in the Troodos mountain range that was in the north and enjoying the birds and plants, now had no access to it. There were lots of family tragedies where people disappeared and have never been found. There were questions about MIAs just like we have. So there were some really strong feelings on that side.

On the Turkish side the “Minister” of Foreign Affairs who had been educated in the United States was a perfectly reasonable guy in every respect and yet his sister had died because of the fact that she in having a difficult childbirth had been prevented from going to a Greek hospital that was the only one in her town. On her way to the next town to get to a Turkish hospital she died. This was in the days before the war.

So, I think you had to be sympathetic and try to understand the depth of these feelings and not in any way underestimate their importance, but at the same time to try to work with them, to say that we know you can't put all this behind you, but on the other hand to get something that is going to work you have got to a certain degree do that. You can't tell them not to do it, because they can't.

Q: Did you have a problem in that the Greek lobby in the United States, including Senators and Congressmen, could only see one side? It was not a balanced group but had a lot of clout. Was this a problem?

DILLERY: Well, that certainly was an issue. It is a domestic political issue. In fact, looking back on the relationship of Cyprus to domestic politics in America, as I came to know a little bit more about it, one of the interesting things to me was that it appeared that the Cyprus tragedy of 1974 had brought the Greek American community together in a way that even the takeover in Greece by the colonels hadn't. A passion for solution of the Cyprus problem formed the glue of their whole national community. It was the one issue on which they could all coalesce.

Q: Like Israel for the Jews.

DILLERY: That is right. So even if they had no direct familial connection with Cyprus, it was that central point for them. They didn't like the policy and were really unhappy with Mr. Kissinger. With the Greek American community he was seen as an evil if not misguided person. They attributed much of this problem to him. That he was thinking in geo-strategic terms, NATO and Turkey and all.

By the way, in the Greek- Turkish thing it also important to know that a large part of the Greek American community are sort of a diaspora who came from Anatolia, from Smyrna and Constantinople, etc. in 1923 or so. So a large part of the Greek American community's sense of the Turks goes back to that. All of this played a role. Yes, that was clearly something that had to be taken into account.

This issue you are raising of how do you deal with this sort of situation...by the way Crawford had done a great thing because in 1974 when he got there the Turkish Cypriots were making noises like they weren't going to allow, they were going to have a total break, no crossing of what was called the Green Line" that separated the two communities. Crawford insisted that he was the ambassador to all of Cyprus and that no one had said that the northern part of Cyprus was not Cyprus. So he began to cross which gave all of the rest of the diplomats courage to do this. So what little opening there was in the situation, he really accomplished.

Q: We have an oral history that I did with him and he talks about it being a very tense situation and this was a very brave thing to do.

DILLERY: Yes, it really was. My basic approach to handling this problem of how to deal with these two sides that just had this terrible angry, frustration and hate of each other, was to try to be a person who really cared about Cyprus and all kinds of Cypriots and to recognize that they were all suffering. To make sure I didn't approach them as sort of a

wise person who knew better than they did. To try to say, “You guys know a lot more about this than I do, and I really understand what you are saying, but maybe I am somebody you can bounce things off of.” Almost like a therapist for both sides. I was really pleased as a DCM because I still had Greek Cypriot friends and yet...Mr. Denktash gave a farewell party which was a little bit unusual for DCMs. At it he said, “There was this couple (my wife and myself) that were very quiet and we never knew exactly what they were thinking.” I was pleased to know that I had been able to appear to be unbiased to both sides, at least I hope I was because that had the additional advantage of being true.

It was a fascinating diplomatic and human...maybe I should put the human first because I think the fact that there was a place that was so personalized that you had to really care about the people.

Q: What was our policy?

DILLERY: We had a strong policy which was to support the United Nations which was continually negotiating with both sides to see if you could move on a broad front. That is to say to try to construct some kind of general agreement that would be acceptable to both sides to...remember we are still talking about Cyprus as a unity and so there was talk about federation. So to try on the one front to move towards some description of that federation or on the second front to try to find individual things in which you could cooperate. We used every device that we could to do that, to bring them together. The most modest and most successful one was a joint sewer system for Nicosia, which is split between the two sides. That is an AID program which worked out and actually crosses both sides. So that was our strong policy.

And then to work with both the Greek government and the Turkish government to try to get them to support that policy and make them recognize that they also had actions that they would have to take that would be necessary...now, the Greek position was that all Turkish

military had to leave and the Turks wouldn't do that. So there were a lot of details on this. But that was basically our policy.

Q: You haven't talked much about the Turkish side. There is so much concentration on the Greek side because this is sort of the business area and all that. In traveling around, did you have any feel for how the Turks were doing?

DILLERY: Remember that the population was about 750,000, or something like that, of which less than 20 percent were Turkish Cypriots. So the Turks were a minority. The Turkish Cypriots were enjoying the freedom of not being hassled they felt for the first time they could remember. And they were determined not to have a situation under which they would once again fall under what they saw as an oppressive Greek Cypriot majority. But remember that because of this small number, they had to figure out whether they were viable, which was part of the problem. And, of course, partly because they had always been farmers and never encouraged to be in business, and probably couldn't have competed anyway. They were basically really people of the land. Everything was much less organized there. They didn't have title to land...the Turkish Cypriots never took the step of granting title during my time. They would give certificates which allowed the use of land and facilities, but not title to it. So they had a lot of legal problems to deal with. They were still very worried. They felt that if the Turkish military left, the situation would revert to exactly what it was before. The Turks did bring in some settlers from Turkey to add to the number of Turkish ethnics hoping they would be a little balancing factor. That was a great cause of pain to the Greek Cypriots, of course, and the Turkish Cypriots didn't like them either. So the project didn't work out very well because most of the newcomers were even less sophisticated than the Turkish Cypriots. So it was a very unsettled situation with lots of vacant houses and not much activity and lots of black market things going on and exchanges, etc. It was a much more wild westy than the Greek Cypriot part. The Turkish Cypriots, themselves, were struggling...probably the main emotion was breathing a sigh of relief, and concern that they could keep what they had.

Q: When you left there, was it your feeling that a Greek area and Turkish area would be the future of the island?

DILLERY: Yes, that there would be an area where there would be more Turks than Greeks and an area where there would be a lot more Greeks than Turks. I think certainly for the foreseeable future the Turkish side would never accept a situation in which there would be a major influx of Greek Cypriots...that they would feel that there had to be some area, a district, which would be essentially effectively governed by a Turkish Cypriot body. I think they foresee the possibility of having Greek Cypriots in that area, but certainly not a majority and probably far less than a majority. I don't foresee any solution that would not encompass that kind of entity.

Q: What about the reporting you would get from our embassies in Athens and Ankara? You were sort of sitting betwixt and between two interested parties.

DILLERY: We did a lot of sharing with them and their reports were very important. Obviously the Greek internal politics were very important...not because one side was any stronger or weaker on Cyprus necessarily, but their of approach to it was important. Also important was reporting on Greek-Turkish relationships. The Greeks have a big problem with the Turks on the Aegean Sea involving the territorial limits, continental limits of Turkey, air incursion by the Turks into Greek air space, etc.

The military was very, very dominant in Turkey in those days in Turkish politics. Demirel was the prime minister. An interesting and important factor was the impact Denktash had on domestic Turkish politics. What was the leverage ratio between the Turkish government and the Turkish Cypriots? One was that it was kind of imbalanced, although the Greeks felt that if we could tell the Turks to tell the Turkish Cypriots to get with it, they would, because they were so dependent on the military. The other side to the coin was that any sign of giving up on Turkish Cyprus would have been a bad thing for the Turkish government. So obviously things that were happening there were of interest and the

relative level of the military role in the government was important. All of this we watched with interest.

Q: Did you have American Congressmen or women coming out, particularly from Greek constituencies?

DILLERY: Yes, we had them quite a bit. There were a lot of Greek Americans who came.

Q: Was this a hard thing? We were supposed to represent a balanced view and a realistic view. We had Henry Kissinger there and we have other fish to fry then just this tribal dispute, but if you tried to explain it to a true believer, I would think this would put you into a difficult position.

DILLERY: You know, the policy of the United States government was not supported by the Greek American community and we were representatives of the policy of the US government. But they were very nice, I must say in this sense they did not usually...it depended on how you presented it, but in most cases with me they never put it on me personally. They understood that I was a spokesman for the policy. Again, I think the importance of having them know that you understand where they are coming from, even though you have to defend a policy and the policy is not likely to be changed, it is a matter of them understanding that you at least know where they are coming from. The thing you don't want to say to them is, “This is all wrong, your position is wrong.” That goes nowhere.So, what you have to do is try to explain the policy in a positive way. Tension was inevitable because they did not believe the policy was right and nothing that you would say to support it could possibly convince them that was the case.

Q: Was Bill Crawford the ambassador the whole time you were there?

DILLERY: No, Galen Stone came at the very end of our tour. I was in charge for about nine months. We were a little bit angry with the Cypriots over something to do with the negotiations and Crawford was gone for seven months or so from late 1976 to 1977. He

came back and then left in the spring of 1978 and I left in July, 1978. He was there, but I went over to get the agr#ment for Stone, and I got him organized. But I didn't stay long enough to get to know him real well.

Q: How was Bill Crawford as an ambassador?

DILLERY: He was terrific. He had so much experience there, he had been DCM there, and knew the Arab world very well. He knew the Mediterranean personality very well. He was a real activist. He wasn't passive, but in the nicest way he prodded his friends on both sides always towards agreement and trying to find openings to put them that they had to move towards agreement. He was really responsible for a good bit of the positive things that took place.

Q: You left there in 1978 and came back to EUR where you served for four years.

DILLERY: That's correct. I was deputy director of Southern European Affairs which is Greece, Turkey and Cyprus for the first year, 1978-79. Ray Ewing was director. He had just moved from the deputy position into the director slot. Nelson Ledsky, with whom I am having lunch today had been the director and moved up to being Deputy Assistant Secretary in H. From 1979-82, I was director of the Office of Southern European Affairs. So I concentrated the whole time on that area.We became more active during that period. Matthew Nimetz was the Counselor of the Department and it was during that time that we really essentially constructed a draft agreement—it might have even been called the Nimetz Plan—that was presented through the UN to the two sides. There was a lot of work on trying to come up with a description of what both areas might look like in terms of territory. The problem was that everybody felt that the Turks would have to give up some land...land for peace, I suppose you would call it in the Arab-Israeli context. The Greeks felt the Turks had 40 percent of the island and we thought it was more like 36 or 37 percent of the island. But we felt that whatever the case was the Turkish part after the agreement would have to be something that started with a 2, lower than 30 percent.

We had a wonderful man, John Lund, a geographer, who was our Defense Attach ...he was later head of the Defense Mapping Agency. He studied the island for military features —high ground, etc.—for traditional places that were sacred to one side or another, for farm areas and irrigation, etc., and drew a line on the map that would come out 29 percent — the final result may well look like his map although the Turkish Cypriots have now agreed in principle to an area with less than 29 percent of the total.

We also worked on a governmental framework that would be one of exquisite and multi-layered checks and balances that would protect Greek Cypriot authority and yet allow some sort of concept of a unified country in a federal way. The bottom line of this, if you read it all the way to the bottom, you would see that after 20 levels of appeal, that the majority would have the final word but hopefully you would come to an agreement somewhere as you worked your way through these constitutional things of different houses...it was a very complex thing. Anyway, that was the proposal we worked on with the UN, but we were the big drafters. It got some discussion, it didn't get too much further. But it is still close to the kind of thing that the Secretary General is working on right now. So my job was that.

We also had at that time sharp Greek Turkish differences over the Aegean. At times it looked like they might even come to hostilities over the air activities of the Turks in Greek air space. There was a problem at the Athens flight information region...it covered part of Turkey. There were oil possibilities in the Aegean and the Turks were beginning to do some preliminary looks at that. So, many, many bilateral problems that we had to deal with.

And then, our own relationships were difficult. We had AID programs. That was when the ten to seven ratio began. We have a ratio of ten for Turkey and seven for Greece, which has been maintained through the years for military assistance. That was always a problem. Of course we had an assistance program for Cyprus. As Cyprus began to recover on both sides from the war, the economic justification became less but we still kept

it. We managed that program and tried to design individual projects. Those were the main issues we worked on.

Q: You were there for two administrations, the Carter Administration and the Reagan Administration. Were these issues very peripheral to both administrations?

DILLERY: No, I think it was pretty central. Basically the policy did not change. Remember that Larry Eagleburger was the Assistant Secretary at the beginning of the Reagan Administration. He had been closely associated with Kissinger so essentially we just carried on with the policy staying the same.

Carter had actually sent Clifford out to the area immediately upon his inauguration and I was in Cyprus when that occurred in 1977. Clifford's job was to see what could be done to help the situation to carry out one of President Carter's campaign promises. That was the reason, thinking back on it, that we took the more active role in trying to come up with that agreement. However, the basic policy did not change from Carter to Kissinger, and when Eagleburger came in it again didn't change. So really we were pretty steady in our policy the whole time.

Q: When drawing up this sort of exquisite plan, were you able to consult with the Turks and the Cypriots or did we have to do this on our own?

DILLERY: Oh, no, we consulted with them on a regular basis. In fact, Reggie Bartholomew became the negotiator for a while. Richard Haas was also a special Cyprus negotiator. At the end of my time the concept of the special Cyprus negotiator came into being. It may have happened while I was in my next job because I continued to work on Cyprus into 1982. One of the interesting relationships was that we had to re-negotiate our base agreement with the Greeks during that time and Ambassador Bartholomew also was the negotiator for that, so we worked together during that time.

Q: Was Andreas Papandreou in at that time?

DILLERY: He came in during that period. That, of course, was a very interesting period for us because he had used anti-Americanism as part of his campaign area. As you know he was quite left. In fact, there was a question of whether we would be able to keep the bases under him. So that is why it was a very tricky negotiation and Ambassador Bartholomew did very well on that. Working with Papandreou was in many respects more difficult than working with his predecessors. Who was it when you were there?

Q: When I was there it was the colonels, Papadopoulos.

DILLERY: Then he went out. I remember that when Papandreou won the election we had done a good thing because we had a letter from the President to both Prime Ministerial possibilities...you know, and we were able to send the letter to the winner the day after the election. We thought that letter helped to make our relationship with Papandreou positive.Then, of course, really more important to us from a strategic point of view, after Papandreou came in...remember it was about that time that Turkish Prime Minister Ozal came in as well and was trying to foster some sort of rapprochement between Turkey and Greece. They were doing that themselves. It was hard for Papandreou, but they did. Ozal was a real revolutionary in Turkey because he started to break down the statist approach to the economy and to try to have more free enterprise and free market. So lots of things were going on in both Greece and Turkey during this period. So, our normal complement of bilateral business with them was heavy because of assistant programs, NATO issues, etc. It was a very busy desk.

Q: Back to Greece again. The base agreements were always an issue. The Greeks used it in those days to beat us over the head. Was this beginning to make us wonderful if we shouldn't just get out of there?

DILLERY: One thought of that, but the decision in those days, remembering it was still Cold War days, was that those bases were vital. Remember we had the Russian Mediterranean fleet and we needed to counter that. So Crete— our base at Iraklion — was

very important. The Athens airport was a transit point for...not only that, of course, it was so important to everything in the Middle East because it was a transit point for all kinds of things that we sent up to Saudi Arabia and other places like that. They knew that we needed them.

But perhaps the most sensitive base was Hellinikon — collocated with Athens International Airport. The visible presence of US aircraft in the main airport of Greece obviously was a very sensitive issue. Now we have moved out of Hellinikon and we are getting rid of most of the facilities there. So I think we will even be out of Crete soon.

Q: What was in it for the Greeks?

DILLERY: Of course the bases were related to the military assistance program and they were part of NATO. Also the presence of the United States could be seen as a deterrent to any Turkish aggressiveness, even though we had facilities in Turkey too. We had Incirlik, later used for the Gulf War there and a NATO facility at Izmir. But it was a balancing thing. It added to their leverage on us because we needed those facilities; it gave them some sense of security and provided part of the basis for military assistance. There were a lot of reasons why it was useful to them.

Q: Did we have any great problems with the Turks? Had the arms embargo been lifted by then?

DILLERY: The arms embargo was actually on for a good part of the time I was on the desk. That was the big problem that we had with them. They were pressing for the elimination of that and I think it probably came near the end of my tour. They were much more resistant to pressure on them about Cyprus and about a Greek rapprochement. The Greeks, of course, were resistant too, but the Turks were one level harsher. And yet, it was another case of mutual dependency where we needed them and they needed us. You have to remember that there was a great feeling of dichotomy both in Turkey and in Greece in the sense that both sides felt that Congress was more responsive to Greek

concerns and the Administration was more responsive to Turkish concerns. Some of that continued through the Kissinger period and even, perhaps, during the Vance period. Turkey by this time as the flank of NATO always had that strategic value that meant that you could not alienate Turkey. So the relationship was testy with both of them but in slightly different ways.

Q: Did the Soviet invasion of Afghanistan in December, 1979 change things at all? All of a sudden that flank got more tender.

DILLERY: I don't think so. Our attention was never focused on that. It may have added a bit of weight to the importance of Turkey being the outpost of NATO on that flank, but basically that wasn't a factor. The main thing was the triangular relationship. We hoped the economies of both would be good and we would have governments that would be friendly. Human rights were always a problem with Turkey because of the Kurdish situation. There were lots of bilateral issues, but the main international thing was that relationship among the three and trying to smooth it out on all sides of the triangle. But not so much with the Soviets.

Q: In those days, of course, the Soviets were considered a major threat.

DILLERY: Oh yes. They were ten feet tall. And also Turkey was being careful about alienating any of their Muslim partners.

Q: Then you left that desk and spent about two years...?

DILLERY: Two years in IO as director of United Nations Political Affairs. That office is the one which essentially backs up our mission in New York and tries to coordinate the Department's responses—we were the desk officer for USUN. So in that light I worked very closely with Ambassador Jeane Kirkpatrick and her group. Warren Clark was the political counselor. He was my major point of contact. Life was built around the cycle of the General Assembly and then the always present Security Council. Ambassador

Kirkpatrick was a cabinet member, spent a lot of time in Washington and was a major player in the whole foreign policy and was an opponent of Secretary Haig. As far as being policy makers we were much more messenger boys. But it was still interesting because we worked on all the UN issues of the day from disarmament to the Middle East to Cambodia to Cyprus. I still kept up my interest in Cyprus at that time.

I would be the first reporter on what happened at say a Security Council meeting that went until two o'clock in the morning. We had a squawk box in the office from the Security Council so I could stay late at night and report on the meeting first thing the next morning. USUN would be doing a report too, but we might have the first one that would reach the Department principals.

Q: What was your impression of Jeane Kirkpatrick and the United Nations? I interviewed somebody who was practically convinced that her idea was to destroy the United Nations.

DILLERY: Well, the Reagan Administration and many of the folks from Ambassador Kirkpatrick's part of the United States international relations establishment really were troubled by the United Nations but I wouldn't say that she was trying to destroy it. There were efforts by the Reagan Administration to try to make it work better and a strong disinclination to accept UN actions that were unfavorable for us. That is why we got out of UNESCO for instance. Our Assistant Secretary, Greg Newell, that was kind of his main activity was to get us out of UNESCO. But I think Ambassador Kirkpatrick felt that because the United Nations is kind of like a legislature, pervious administrations had been in deal making situations to get votes. So the US would not press things to the point where we would lose important votes but to do that we would make a lot of compromises. She felt we should not compromise on policy just to get UN agreement, that we should be active and make it clear to the people in the UN that you are one of two kinds...you are friends or enemies.For instance, it was during that period when we started having, what we still do now, an annual report on voting patterns in the UN indicating how often countries vote with us and how often they don't. She was just a real tough bargainer and really hard for

US positions. I wouldn't call her anti-UN. I would say that she was not going to be your consensus builder type, that she was going to go for our policies as hard as she could and let the breakage happen. That would be my thoughts on how she approached it.

Q: Were their any other particular issues that you got involved with or any particular insights?

DILLERY: It was our general relationships again. There were lots of individual things of which we were not the chief players. Once again we were sort of coordinators or packagers of UN purposes so we worked with everybody at that time. Every year before the General Assembly we would draw up a list of items that were most important to us that we knew were going to be on the agenda. We would organize visits by Ambassador Kirkpatrick. We would go out to countries to talk to them about the coming General Assembly. We did that famous omnibus telegram that comes out every year describing all of the major issues which will come up in the General Assembly and instructing embassies to make demarches to tell their hosts what our positions will be — and trying to get support for out positions.Basically the important thing there, and the think I would remember, is that it illustrates to me the importance of developing a relationship between regional bureaus and multilateral diplomacy or other kinds of functional bureaus, if you want to have something that really works. And I felt that we did pretty well because the regional bureaus, by and large, felt they could use us and we would know what we were doing. I did happened to have one of the best Middle East experts, so much of it is obviously Middle East stuff, Harry Sizer. He was wonderful. A great historian with just perfect files. He was a continuity person and knew it all. One of our officers was an African expert who was used by Chet Crocker as one of his principal advisors on achieving independence for Namibia. So we were in on all the action at that time.

Q: Who was the head of UN Affairs?

DILLERY: Greg Newell. He later went as Ambassador to Sweden and then went private business. He had been active in the Reagan campaign.

Q: Let's break here and pick it up next time.

Q: Today is tax day, April 15, 1994. Your next assignment was Fiji. How did that come about?

DILLERY: Probably in the way of most Foreign Service assignments. The Under Secretary for Management, Ron Spiers, approached me when I was the director of UN political affairs, and said, “How would you like to go to either Nepal or Bangladesh?” I said, “Oh, I would really like that and would like it even better for Nepal than Bangladesh.” He said, “Bangladesh is a lot better assignment.” I said, “Either one would be lovely.” I can't even remember when that was, but it must have been in 1983. Later there was a Deputy Secretary's committee (the group that makes formal choices of career officers for ambassadorial positions) meeting and I was indeed selected to be the Department's candidate for Nepal.I was very pleased about that and started telling people. Among the people that I told was Ambassador Kirkpatrick. I said, “I am not going to be with you much longer.” And she said, “You can't be going to Nepal because I know that Lee Weil is going to Nepal. He is a New York stockbroker and a friend of Helene Von Damm.”

Q: Oh yes, Reagan's secretary who had a lot of power.

DILLERY: And who later became Ambassador to Austria. So then I went to the Department's office of White House Liaison where I knew a chap who had been in IO public affairs, or something like that. He later became Ambassador to Morocco. I asked if he could check this out for me. He did and he said, “You are right, Lee Weil is going to Nepal.” It turned out that the White House was a little bit sheepish about it and then call came to me asking if I would like to go to Fiji rather than Nepal. I had all my wardrobe ready for Nepal. That is basically how I got to go there. I had some Far Eastern

experience, but when I went to see the Assistant Secretary he said to me, “Well, you weren't my choice.” So I was picked by the Deputy Secretary's Committee and went to Fiji.

I was accredited to Fiji, Tonga, Tuvalu and Kiribati. Then we also did consular work for French Polynesia which includes Tahiti and for New Caledonia.

Q: You were there from 1984-87.

DILLERY: Right, I was there from October, 1984 until late August, 1987.

Q: This was a new area for you. Did you have any agenda from EA or from your talks with the desk?

DILLERY: We didn't particularly. At that point we were still in the throes of getting rid of the Trust Territories, which by this time were well into the process of becoming autonomous. This included the Marshall Islands, the Federated States of Micronesia, Palau and the Northern Marianas. The point was that we wanted the islands' support for things that we wanted in the UN.

Q: Being an island nation it would have a little more clout with .....

DILLERY: Well, yes, they are neighbors. Kiribati and the Marshalls are next door to each other. So it was just the case that you want regional support for your position in the region. Probably the biggest part of our agenda was keeping the Soviets out of the area. They were beginning, even as I arrived, to try...they had no missions on the ground in any of the countries, but they were talking about setting up fishing arrangements partly for political reasons, partly because they had some trawlers that had been built for them in Poland on a barter arrangement that they needed to use and decided to use them to try to catch tuna. But they had political things in mind as well. So a large part of this was to try to keep them out. The Cold War was still on.

Q: Well, the policy with many of those islands was basically one called denial. That was keeping the Soviets out. We had what we wanted, we just wanted to deny them.

DILLERY: There were a few economic issues at the beginning when we went out. Some got larger later. Basically the idea was to have good relations with them. It was partly a situation of finding ways to...being as small as they are it is sort of easy to be neglected, and they felt that way. So part of the job was to really try to demonstrate to them that we did really care about them. We had an assistance program which was regional with the headquarters in Suva. It was for the whole South Pacific, not just the four islands I had. It was about $10 million a year. We were trying to use that program to demonstrate our interest in the area. Those were the main things.

There were no major issues. The Fijians were troubled by our delinquency in peacekeeping contributions because two/thirds of their army is in peacekeeping in Lebanon and the Sinai. That was their agenda. Besides that, things were relatively small pieces of business which is maintaining good relations.

Q: How long had they been an independent country by the time you arrived?

DILLERY: Fiji became independent in 1974.

Q: So about nine years.

DILLERY: Yes. Tonga really maintains that they have been independent for 400 years, or forever. Even when the Germans took over it was some kind of a trust or some kind of a relationship under which the monarchy was still there.

Q: Tonga is part of Fiji?

DILLERY: No, Tonga is a separate country.

Q: Was there a separate ambassador to Tonga?

DILLERY: No, I was the Ambassador to four countries: Fiji, Tonga, and then the little countries of Kiribati and Tuvalu which are probably better known to people of our age as the Gilbert and Ellice Islands. The Gilbert and Ellice Islands had been independent only since 1980, about four years.

Q: Could you explain at the time you were there the political structure and the economy of each island?

DILLERY: I will go from the small to the large. Tuvalu is a little group of about eight or nine islands, all coral atolls. The resident population was very small, only about 7,000. The capital is Funafuti. The dominant influence there is Australia and New Zealand. The dominant influence in the whole area is Australia. They have the largest assistant programs. To illustrate the importance of this, the Australians, without consulting the Tuvaluans produced a government which suggested and almost passed that they just depopulate Tuvalu. It would be cheaper for Australia to bring all the Tuvaluans to Australia than to leave them on the islands.

A little about the history. The Gilbert and Ellice Islands were, as in so many British colonies, an anomaly. The Gilbert are Micronesian and the Ellice are Polynesian. Polynesians are much more confident. They had always been the sort of aristocracy in the region. And the British also in their traditional fashion used the minority to be the controllers of the majority. Well, when I say majority, the Gilbertese are about 70,000 and about 7,000 Ellice Islanders. Tarawa in Kribati was the capital of the colony but a lot of Ellice Islanders went up there to form the nucleus of the civil service. So most of the leaders of Tuvalu were Ellice Islanders. When independence came in 1980, the Ellice Islanders took a look around and realized that with voting all of a sudden they were going to be out voted by 10 to 1 and decided that and Independent Tuvalu was better for them. There was some suggestion that they might stick together. For instance, the prime minister

of Tuvalu was married to a Gilbertese and the president of Kiribati was married to an Ellice Islander. So there was still a lot of relationships.

We had a tiny AID program at Tuvalu. There were two Peace Corps volunteers. The political issue there was that the country was ruled by people from an outer island and the capital of Funafuti was talking secession to get rid of these outsiders. I think ten percent of the population was in the civil service. The country is so small and undeveloped that the airfield is still a grass strip we made for World War II. It is the only flat place on the island - perhaps in the country. It is the soccer field and when an airplane comes in they take the goal posts down.

The Gilbert Islands were a little bit bigger and actually in territory are very wide. They go all the way from the Gilbert Islands right at the equator all the way over to Christmas Island. The width of the country is about 3,500 miles. So they have considerable fishing assets. For all of these people coconuts and fishing are the main businesses. The Gilbert Islands has, like all the rest of them, very little industry and mostly dependent upon assistance. The Japanese had a fairly large program of assistance there because of the war and the impact of the fighting on Tarawa. Tarawa is the atoll where the capital is...there are two little cities, the major town where the people live, which is Betio (pronounced Baysho, where the battle was, and then the next little town, which is about three miles away on the next island is the administrative capital. Then about 15-20 miles around the atoll is the airport. There was no way to get from the administrative capital to the place where people lived except by ferry and it took about an hour. So the Japanese built a causeway between and that was the biggest aid program.

Our biggest issue with them was that the Second Marines had a memorial to the battle there. One of the features of the battle was that we landed from inside the atoll and there was a jetty there where they sheltered for a while. The memorial was right there by the jetty. That site has now become a fish factory and it was thought not to be seemly for the memorial to be there, so they wanted to move it. The problem was that the Kiribati wanted

to have it in what they called their “Peace Park” which also had Japanese memorials in it. The Second Marine Association was not too keen to have it there. So that was our big negotiation.

Q: Did you solve that one?

DILLERY: We did solve that and actually the memorial now is in the peace park to everybody's satisfaction.

Later on we had some other interesting business with them because...you said what was the agenda when we started, it turned out later that a major thing was when the el ni#o came and the tuna stocks disappeared...

Q: El ni#o being a weather phenomena that comes every once and a while.

DILLERY: It increases the temperature of the water, particularly around the equator. The result of that was that the tuna crop off the western coast of the Americas declined and American tuna boat people found that there were a lot of them in the South Pacific. So they started going out there and where there were no agreements that might hinder an industry has always been noted for free enterprise. They were amazingly effective, but they also were not very responsive to the concept of other people's sovereignty. So there were a lot of complaints. In fact, in Kiribati we had one American fishing boat captured, or detained, and we had to work on that. There is a USG fund for paying off fines and all that sort of thing. That was another major piece of business with them.

Kiribati is a semiparliamentary type of government. There is a president, not a governor general, and a parliament. The president is limited in his power. When I was there he was 32 years old. When I presented my credentials to him, he was dressed in a flowered shirt, different patterned shorts and no shoes. I was wearing a summer suit and felt quite formal.

When we went to Tuvalu to present credentials, we found that the one hotel with nine rooms in the capital city is about two minutes from the airport by foot. One of the things that one of the Peace Corps volunteers did there was to make beautiful signs for the public buildings. So there is a lovely sign outside this little building which says, “Funafuti International Airport” and the building is a thatched roof open structure about 12 x 12, with a little concrete place in the middle for you to put your luggage on.We didn't stay in the hotel, we stayed in the governor general's guest house, which was about five minutes from the center of town by foot. The Governor General was an older man and we had a very desultory conversation during our call on him, but very nice. The prime minister was a physician, a very nice man whom we got to know later and came in and had dinner with us in Fiji many times.But to give you an idea of the scope of that place, there is an airplane three times a week from Fiji...well really there are five landings because one airplane goes from the Marshalls, to the Gilberts, to Tuvalu, to Fiji on a Saturday and then back up on Sunday. The Prime Minister frequently went down to meet the airplane just to see who was on it. Pretty informal.

Tonga is the opposite of that. Tonga is an ancient kingdom. I had said 400, but I think they trace their lineage back 1600 years. You may remember the famous story of the present king's mother, who was Queen Salote, at the Coronation of Queen Elizabeth. In the formal procession she was in an open carriage with the Grand Vizier of Oman, or something like that, who was a little guy. She was about 6' 6” or so and weighed 280 or 300 pounds. It was raining but she made great friends because she had a great smile.Anyway the present king has actually lost a little weight, he now weighs about 375 pounds and is about 6' 6”. Shaking hands with him is like picking up a bunch of bananas. But he is a lovely man. They have a parliament, but basically the country is still run by royalty. The ministers are all nobles. There aren't very many of them as there is quite a lot of inbreeding. One colorful person in the whole thing is the Crown Prince, a nice man of about 40 who is very into modern technology. The King is a deacon in the local Methodist church and preaches

once a month. They have blue laws on Sunday — you are not supposed even to take pictures.

Once again there is not very much business. Tonga has a penchant for weird and wacky economic ideas. One of the little things they did which was after my time but gives you the idea was that they had some American lawyer who came and suggested that since there were 16 of the synchronous satellite orbital positions over the equator in the South Pacific that hadn't yet been used, Tonga should claim them. Of course you have to have a certain space between the satellites and there was only x number around the equator. Basically it has been on a first come first serve basis. Nobody ever asked for them. Tonga asked for all 16 and they were going rent those out. I don't know how it finally came out, but it caused a great fuss. That kind of fuss was happening frequently in other schemes.Tonga exports seasonal fruits and vegetables to New Zealand, for instance, because they don't have any winter...melons and things like that, and fish. They send that same kind of produce to America, mostly to Hawaii. Besides from that we really had no major issue with them to speak of. They didn't have a very good fishing area.

Q: Do we have fleet visits to those places?

DILLERY: We do. That was another major area of interest and that is to try to preserve access as much as possible...this developed later on. During my stay New Zealand established its policy of no visits by ships that were either nuclear powered or which might carry nuclear weapons. Of course, as you know, we have a very strict policy of neither confirming nor denying the presence of nuclear weapons so that effectively shut New Zealand out of our ship visit program. It was our job to try to keep the other places in the area open for ship visits. We managed to accomplish visits to all of them.We had lovely programs coming out of CINCPAC in Hawaii when they would send SeaBees, for instance, to the islands and do construction work. One of our really huge hospital ships came to Suva and stayed three or four weeks to do operations and eye checks, etc. It was really a wonderful program. We accomplished a nuclear attack submarine visit in Fiji during a

conference of Peaceniks, which was kind of fun. So there was a lot of that and we kept working to keep that access open. Frankly, the leadership in all of these countries is fairly conservative and it was not a major problem.

So Tonga was really that kind of thing, maintaining this relationship and then kind of keeping your finger on the pulse, there is a small democratic effort there of thinking that perhaps the monarchy is past it. We have a few American citizens there. The Mormon church is very big. Our biggest piece of business with Tonga was visas. Going to America is a very important thing for them. In their system of inheritance, they give property to all the sons so the land is broken up to such an extent that there really isn't any property left.The result is a lot of questionable visa applications. We refused 90 percent of the applicants and of the other 10 percent, about 90 percent were fraudulent, both immigrant and nonimmigrant.

Q: They were going to the United States to stay.

DILLERY: Right. So that was our main business with them really. We were constantly being importuned by everybody from the Crown Prince to the prime minister of Fiji (who also had some Tonga relatives) to grant visas.

Q: Well, then to Fiji, which I guess was your main occupation.

DILLERY: Yes. Let me give you some population figures. Tonga is about 100,000 and Fiji is about 720,000. The latter is a real country and it has an infrastructure. It has ship building and copper mines and an important sugar industry. They started developing a textile industry while we were there. Tourism, of course, is another main business. And there is fishing and farming. But for us the main economic problems were sugar, where they had a quota for exports to the US and they were always trying to make it a little bigger...as we kept restraining the sugar quota it got down to the place where it wasn't even a ship load a year and therefore hardly worth sending, but they wanted to do it for symbolic sake and they were always trying to get it up to at least that level. And, of course,

the attractiveness of selling sugar to the United States is that we pay about four or five times as much as anybody else's price. So, whatever they did sell was well worth it.

We also had aviation problems. We had an aviation agreement with Fiji. They had chartered with Western Airlines for an airplane which went from Fiji to Hawaii, and they wanted that flight to go onward to San Francisco or Los Angeles as Air Pacific, the Fiji National Airline. I think we offered them Hawaii to Sacramento, Portland or Reno and they didn't like that.

The other side of the coin was trying to maintain the access for Continental Airlines which stopped in Fiji on the way to Australia. In the end Continental pulled out just before we left because of the coup that occurred in 1987. I'll mention that in just a second. So those were really the main bilateral items.

Then with all of them late in the day, about 1986, we started negotiating a fishing treaty with all of the South Pacific Island countries that would compensate all of them for tuna fishing rights. That was a major piece of our business. It also was for our Embassies in Papua New Guinea and New Zealand.

Q: Well, with those fishing agreements, I would think this would be something you would want to do in coordination with some other powers like Australia, New Zealand.

DILLERY: No, we didn't. It was just between us and the island countries. The Australians and New Zealanders don't have tuna fishing industries. Japan is another country that does have a tuna industry but our relationship with them on that is not one of cooperation. So in this negotiation, we in the area assisted our chief negotiators from the Bureau of Oceans, Environment and Science in their dealings with the islanders. In the end we got an agreement that satisfied all parties and our fishermen were able to use the waters around the island nations.

The other thing that developed at that time was an international effort to fight against drift net fishing. In this form of fishing, nets several miles long are deployed and allowed to drift — almost all fish get caught in the nets and the result is bad for the fish populations and for the ocean environment. We were on the side of the gods on that one because we were against drift net fishing and they wanted us to be stronger on that.

We finally came to a conclusion on this, by the way. There are two regional organizations, the South Pacific Bureau for Economic Coordination, which is kind like their inter-island group including Australia and New Zealand organization that tries to coordinate economic things. It has become kind of a political forum as well. Then there was the South Pacific Conference, which was a conference for the coordination of aid projects for the whole area. That was headquartered in New Caledonia. The French, British, Australians, New Zealanders, Japanese, US and all the island countries were members of the Conference. That was another forum that I worked in as representative of the US.

The other major thing that came up which related very much to the ship visit issue was that the political forum of the South Pacific Bureau for Economic Coordination, came up with the idea of a South Pacific Nuclear Free Zone (SPNFZ or “Spinfizz”), which the US opposed. But there was a great debate in the United States as to whether we should go along with the island nations. They tried to modify their nuclear free zone so that it wouldn't affect our ship visits but our policy on this point was so strong that we could not. Spinfizz really was aimed at the French to get them to stop nuclear testing in French Polynesia. That was another big piece of our business there. The Fijians were very big in that. Our embassy got in some controversy over this issue because we recommended that the US sign the treaty and the non-signers won out in Washington. I note with some amusement that one of the policies of the Clinton Administration is to sign the treaty now.

Other things in Fiji. There is a regional university for all the countries. I think nine or ten of the countries jointly own a university and the largest campus is in Suva. There is another one in Samoa and one in Papua New Guinea and then little satellite teaching stations in

the other countries where teaching is done by voice radio from Suva. Working with them was again part of our AID program.

In May, 1987, there was a military coup in Fiji. The political problem in Fiji is that, it has changed a little bit now, but when we were there 48 percent of the population were from South Asia—India, Pakistan, Nepal, Sri Lanka—and only 45 percent of the population were indigenous Fijians. The other 8 percent were Chinese and Europeans. The constitution was frankly racial because out of 52 seats in the Parliament, 22 were for ethnic Fijians, 22 for South Asians and 8 for what were called general electors. The voting system was very complicated. Every voter had four votes in the most complicated formula I have seen.

A sort of unwritten agreement was that while the Indians would run the economy of the country, the Fijians would run the government.

Once before, shortly after independence in 1978 or so, there had been a standoff in an election. The Parliament had come out 26 of the Indian party and 25 of the Fijian party and 1 independent. The Indians couldn't bring themselves to suggest a name to the Governor General to be the Prime Minister, so he offered the chance to form a government back to the Fijians on a minority basis. They did successfully form a government and three months later they had another election where the right side won and everything was okay.

But in the 1987 elections that didn't happen. The government that came with 27 on the winning side; of that number, 19 were South Asians. By the way, the army is 96 percent ethnic Fijian. The Fijians could not accept the new government and they took action in a bloodless coup. There were actually two or three little incidents where people were injured, but nobody was killed. The Fijian Army just took over.

This was personally devastating to me because I had good friends on both sides. The Fijians and the South Asians actually had a fairly decent relationship, but the election brought out all the angst on both sides and so it was very painful dealing with everybody.

I have to say that obviously even in this case Fiji wasn't on the top of anybody's agenda in the US, although I did understand that right after the coup there was a time when in the Secretary's staff meeting there was no other news and we were on the agenda. Aside from that, it was pretty much up to me to decide what to do. The Australians and New Zealanders were outraged at this blow to democracy because it was a straight military coup and the party that was deposed was Labor Party, quite close to theirs at the time.We had to stop giving military assistance to Fiji — we had a small training program — because it was a military coup and the Foreign Assistance Act does not allow aid to continue in those circumstances. We did not condone the act, in fact we had no relations with the military government. The Governor General, under the part of the Constitution that said that if the parliament was unable to act he would take over the running of the government, did that. So we did our business with the Governor General, but it was clear that he couldn't do anything the military didn't want him to do.

I tried to steer a middle course where we would make it clear that we did not condone this coup and felt that democracy should be returned, but that on the other hand we understood how it had happened and we were not casting judgment on anybody. Our relationship, however, had to be based on the fact of what our laws are and what we believe. So we said to our Fijian friends, “don't take this personally but realize that we cannot accept this under our law”. Actually it worked out that we were able to maintain a relationship with both sides in the debate which probably was helpful in what later then became a sort of half way decent situation in which the constitution was modified (this was after I was there) so that the Fijians now have a guaranteed majority in the Parliament. Now it is 32 Fijians, 22 Indians and 8 electors.

Q: Did you find yourself as an intermediary talking to the leaders on both sides?

DILLERY: We were more carriers of information rather than mediators who came up with plans for them to solve this.

Q: Did the Indians have a different thrust? Was it more ethnic or were there sort of philosophical....?

DILLERY: Well, a little more history. The first political movement in Fiji was by Indians. What had happened was the Australian companies that began to do plantation work in the South Pacific—sugar, cotton which was grown in the islands during the American Civil War when Britain couldn't get cotton from the US—brought in the first boat load in 1854 and they were indentured. That immigration continued until about 1915. These were people of very modest economic means.

A couple of interesting things happened. One was that there was no caste system in Fiji, but there were a lot of different groups and practices because the workers came from everywhere in South Asia. So the “Indian” community was never totally unified.

The other thing was that one of the first things that happened when the British accepted Fiji as a colony (Fiji had been very wild westy — and not unified at all up until then), the Governor General in creating the Constitution reserved the majority of the land — some 80 percent — for the indigenous Fijians on a communal basis, they couldn't sell it. So the Indians who came who were the plantation people leased fairly small plots from the Fijian tribes. The main political issue always was the length and terms of these leases.

As a result of that, even before World War II, the Fiji National Federation Party grew up out of the Union of Indian Farmers. They were really the only political force through World War II and up until independence began to be on the horizon. At that point a party was formed called the Alliance Party, which was Fijian. The two major factors in elections up until 1987 were those two, the NFP and Alliance Party. It was pretty much racial and this one economic issue. However, by 1987...and remember also apart from the areas where the Indians were, and they were really in places which were conducive to growing sugar mostly on the windward side of the two largest islands where it was wetter, etc., the rest of the islands were mostly subsistence with no economy at all, except for a copper mine

and a few things like that. As time has gone by, of course, more and more development has occurred. As in many developing countries, a market economy has arrived, it has grown rapidly and there has been a resulting implosion of people from the outlying islands and villages into the cities. Another big factor was the University which was a hot bed of political activism.

Partly as a result oaf these changes, a new party grew up called the Fiji Labor Party. This party was composed of Fijian intellectuals and they won the 1987 election in a coalition with the NFP. Of the 27 members I mentioned in the parliament of the new government, 7 were staff members at the university. Like many young universities there were many left wing thinkers. Also the labor unions, which were not part of the traditional...there had been an uneasy alliance between the farmer and the laborer for many years, but the labor people, their head was an Indian...So it was a combination really of Fijians who had come to the cities and didn't want to accept the traditional form of Fijian government and the people from the university and labor union people who all came together and won this election. So it was really an ideological change as well as an ethnic change.

Q: During this time you were calling your own shots pretty much?

DILLERY: Pretty much. Since there was hardly any violence and no threat to national or regional stability and no Cold War implications, the coup did not generate a lot of interest in Washington — there were a lot of higher priority foreign policy activities at the time.

Q: You didn't have any outraged members of Congress saying we should be...?

DILLERY: Oh, there were a few but it was very muted. Robert Lilly was our Deputy Assistant Secretary. He was very helpful and supportive. That was about as high up in the system that it got.

Q: How about with UN votes?

DILLERY: Of my little countries, only Fiji was a member of the UN. Tonga chose not to be. Tuvalu and Kiribati couldn't afford even the minimum dues or to have anybody in New York. Other places in the Pacific islands were notorious for being against us like Vanuatu which had an American as its representative who voted against us all the time. Nauru also voted against us. But Fiji was not a problem.

Q: So when you left in 1987, what was the situation?

DILLERY: I left in August, 1987 and everything was still in turmoil in Fiji and in fact there was another coup literally by the Army against themselves in September. But in August, things were starting to settle down. The major impact of this whole thing probably was that there was a great exodus of Indian intellectuals from Fiji, depriving the country of a lot of talent. Oh, I should say one more thing about the history of Fiji. About 1930 the pattern of immigration from India changed and a good number of Gujarati came. That was when the Indians really became interested in politics and more of the monetary side of the economy. Before that time most of them were farmers. Actually a little bit of a caste system developed because the Gujarati did not intermingle with the other Indians.

But all of the Indians were very family oriented and wanting to develop and education their children, etc. So the children of the farmers as well as the shopkeepers grew up to be businessmen and also lawyers, doctors and senior civil servants doing a lot to bring this country into the modern world. Probably the saddest result of the coup was that many of them left for Australia, New Zealand or the US. The level of ability and capability in the infrastructure of both the economy and the government was weakened by this loss of experienced people.

Q: One last question on Fiji, what sort of staff did you have?

DILLERY: We had 25 Americans at the embassy. I think the total number of State personnel was about nine. We had one USIA. We had one military...we had an attach

resident in New Zealand but for ship visits CINCPAC had someone stationed there as “CINCPAC Representative”. We had about three or four Peace Corps staff with 130 Peace Corps volunteers in Fiji, 30 in Tonga, 12 in Kiribati and 2 in Tuvalu. And there were about a dozen AID people in a regional assistance office. There were about 40 Foreign Service National employees.

Q: How effective did you think the Peace Corps was?

DILLERY: It was very effective for them at that time. They had several major programs. In earlier days many had been English teachers. Now there was a nursing school and we provided teachers for that. There was a forestry activity and we had provided volunteers to help them to develop a forestry industry. Many of the volunteers were in rural development trying to help health conditions, cottage industries, etc. They did a good job and had a number of nice projects.

By the way, one of the enjoyable things for the ambassador was that at that time we had a small self-help program to which we gave a little money for projects, most of which were developed by the Peace Corps volunteers. It was called the Accelerated Impact Program — AIP. The volunteers worked with villagers to build water systems, community halls, salt pans, health stations. The building of kitchens was a big project. In the traditional village the kitchens were one end of the thatched roof house. They built little annexes on it with concrete slab and concrete blocks and a little stove and running water. They did a lot of that kind of thing and we provided the money for it. My wife and I got to open those projects with ceremonies, and when that happened we received the traditional ceremonial thank you with the roasted pig and traditional dressed native dancers and cup bearers giving you the native drink, whales teeth as a sign of respect, etc. It was a great experience. You will find plaques in remote Fijian villages which say that in 1986, Ambassador Dillery opened this school or water system — a nice legacy.

Q: Oh, wonderful. So you left there in 1987.

DILLERY: I left on August 17, 1987 and on August 20 I went to work in the Department in the Office of Management Operations.

Q: They threw you back into management.

DILLERY: Well, I had never been in management before to speak of. I never really worked on the management side of the Department.

Q: You were doing that for about two years?

DILLERY: Yes. For the rest of 1987 until about June, 1989 I was the deputy director of Management Operations. The name changed to Management Policy, because Under Secretary Spiers did not think the Office should be operational but should be more of a support staff for the Under Secretary. George Moose, who was my Director, left at that point and went to an ambassadorship in Benin. So I became Director of Management Policy until the spring of 1989 when the new Under Secretary, Mr. Ivan Selin, eliminated that office and put us under the Office of the Chief Financial Officer. I became the Associate Comptroller for Management Policy.

Q: What were the main issues that concerned you?

DILLERY: Management Operations was started by Larry Eagleburger when he was Deputy Under Secretary for Management in 1974. My understanding of it is that when he took the job, he found that he really didn't manage very much of the real stuff of the Department. That actually the Assistant Secretary for Administration, who was John Thomas, managed almost everything, certainly money and physical resources, except for personnel who were managed by the Director General. And they really reported to the Secretary and the Under Secretary. So Eagleburger established the Office of Management Operations to do two things: (1) provide him with a little staff so that he could have horse power to study issues and especially those things that went across bureaus and (2) the power to play a role in the control positions — that is to say human resources in the

Department. In other words, you could not create, eliminate or modify a position without the approval of M/MO. So the personnel folks and the Comptroller had to come together with M/MO to make a three way deal on this.

Management Operations was the repository of the data bank on positions. We were the final word on positions, which ones existed and which ones didn't. Later that staff also became involved in what was called MODE, which was an early attempt to control overseas staffing under which all agencies were given ceilings by the OMB and the NSC for their overseas staffing. We did the State Department part of that, M/MO did. The activity generally took the form of trying to restrain growth in USG positions overseas. The NSC found that onerous because it always reduced itself to single cases ... they didn't like to work on one position—should we have another Commerce officer in Lyon, that kind of question. So they eliminated MODE and created a National Security policy document called NSDD-38 which theoretically is authority for the Chief of Mission to assure that no changes in staff can be made without his/her approval. It is really the only method for control over the size of missions.

When there is a case, M/MO does the research on the need for the position for the Chief of Mission and develops the facts around the case to give the Chief of Mission advice in making a decision. That was a large part of it.

Then there was staff work on all kinds of odd things, everything from how come the rules for defense attach#s and anybody else are different in the use of automobiles at post developing rules for drug testing programs. A lot of big issues on security. We were there so that when the Under Secretary received memorandum from an Assistant Secretary who is in charge of an area, he had somebody else who knows something about that to bounce that off and get an independent and nonvested opinion. So that was what we did.

Q: One always hears these stories that the State Department cuts back when told to do so, but the other agencies—Defense, Commerce, etc.—doesn't play the same game and seems to expand. Is this a real thing or just a story?

DILLERY: It is true and false. Actually the largest growth in our missions over the last few years has been the State Department. There are changes so that we have more INS people overseas now but less other agencies, maybe HEW and maybe even USIS and AID, for that matter. Actually the percentage of other agency personnel in our missions hasn't changed much over the last two years. About ten years before that, there was a rather large increase in other agencies as they found it desirable to have their own people overseas. There was a big growth period during the '80s. We tend to bad mouth ourselves. We really have done pretty well when it comes to resources in foreign affairs in most instances. We are now in a tough time, but before this time, my evaluation is that we have not had a shortage of resources, even in tough times.

Let me give you a percentage. Actual State Department persons in our missions overseas are less than 40 percent. In fact, there is one single agency that is bigger than us and that is DOD. It is reducing now but it was up to about 42 percent.

Q: Did you find that the Department of Defense was a major problem?

DILLERY: No, not a major problem. Major problems would actually be the other agencies. INS is thinking about starting a program under which they would do preclearance for entry into the US — at foreign airports — and would need lots of people overseas. You would be cleared before you got on the airplane rather than after you got off. FAA, which monitors the safety of airlines all over the world, needs huge offices including engineers and airplane safety people. The FBI is markedly increasing its strength overseas. They are probably the biggest problems.

And then there were a few problems where agencies wanted to take people out but the ambassador didn't want them to do it.

Q: In the good old days people would center in what was considered desirable posts, rather than where they should be. All the agencies gathered around rather expensive capitals rather than where they were needed.

DILLERY: That certainly is true although not of DOD, AID or USIA. Of cabinet level or other independent agencies, the last time I looked, 26 of them have people stationed overseas. Among those, what we called entities—like Treasury which would be Secret Service, IRS and attach#s would be examples of that—there were over 120. So 120 different organizations in the US government had people stationed overseas at posts. It is not the major ones, but all those others who always want to go to London, Paris, Rome, Tokyo.

Q: You left Management around 1989?

DILLERY: Well, no I stayed on doing the same job but now I was a part of the Bureau of Finance and Management Policy until 1992.

Q: Did you find when you moved over to Management Policy that this made any change or was it the same thing?

DILLERY: It made somewhat of a change because we now had a Chief Financial Officer to deal with, whereas before we had direct access to the Under Secretary. As we became only one part of a larger operation out ability to really serve as the personal staff of the Under Secretary changed radically. In fact, when I came back as Director of the Office of Management Policy in 1993, it was ironic because what I am doing now or what I was doing the last year in kind of a minor way was caused by the fact that after Brian Attwood came he saw the need for a little office that would be in a position to advise him, once

again independent. So I really came back to doing the same thing in 1993 without the position control.

Q: Who were you reporting to?

DILLERY: The Chief Financial Officer was Jill Kent and she was somebody who had come with the new administration. She was a career civil servant and her last position had been Assistant Secretary for Administration in Treasury.

Q: Did she come more or less because Jim Baker had more or less been Secretary of Treasury?

DILLERY: Yes, they had worked together and I assume that was the case. She is very well qualified. She had a lot of management and financial type jobs.

Q: How did she interface with the State Department system which is not considered always the most financially astute? Management is not big in the State Department.

DILLERY: I would take issue with you on that. First of all she was very well organized and was really a very professional government financial manager. She did bring a lot of professionalism and regularized a lot of things. It is true that the Department is very hard to manage. If you just look at it you can see why. We have to operate under the rules and regulations of 165 other countries. We have employees of all levels of skills, lots of different information systems. In our financial side we have a structure were unfortunately the people who do a lot of the work are rated very low and so you get a lot of problems there. There are so many different accounts that there are a lot of accountability problems. There is the interface with policy.

We have a situation where basically the people (by the way now that I am in management I find that people who do manage hate the words substance and administration, so I would rather say program) who work on the programs of the Department of State which I think as

bilateral relationships, representation, negotiation, reporting, those kinds of things, don't have to really think about resources because whenever they needed something we have basically always given it to them. Or, and to give them their due, because of the culture of the Department if something big happens and you have to do something, you just stay and do it. You don't get an extra person, you just work 16 hours a day for as long as you have to do that. That is the tradition and that is what we have always done. You notice when travel funds are cut and that sort of thing, but basically the resources are there to do with what we need to do. Our philosophy in the old days was that we would just do more with less. It didn't bother us and we didn't think about that.

I think Jill Kent had a very positive impact in developing...it really started a little bit before she got there and I like to think I had a little hand in this...one of the things that Under Secretary Selin especially was keen on was trying to develop a planning process for the Department of State. Now State Department planning is kind of an oxymoron and everybody says that you can't plan on a Bosnia, or a Somalia. However, I think you could foresee that there would be changes in Eastern Europe some years before the Berlin Wall actually came down. We knew it was going to happened two or three years before it did. We could know that there was going to have to be more resources going there. And we didn't do that.

So she spent a lot of time on that and got it off to a very good start. In that process she had a good interface with regional assistant secretaries. She worked hard to try to involve regional bureaus in financial things. Whereas I think previously there had been a tendency for financial managers to just impose their decisions and there was enough to go around so everybody just accepted that.

Q: What did you do after you left this management operation?

DILLERY: Let me back up and say one more thing about the management thing. I really consider of my time both now and previously in management that the most important

single thing that I worked on was program planning. Remember there had been many efforts at this. Do you remember CCPS?

Q: Oh, yes, these were matrixes. I remember going through this on how to allocate resources to operate priorities.

DILLERY: Yes, that is right. So the way to do this was to try to get involved with priorities and, of course, that was the weak part because it was hard to develop priorities within a country to say nothing of within a bureau to say nothing within cross bureaus. So our job was to begin to work on this. I am going to take credit for this. I said, looking back on this and the good efforts of Mr. Crockett, and all the others who followed him, this all arose from the PPBS (Program Planning and Budgeting System) of McNamara where you would develop these five year plans. In the times past we had just sort of dropped this on the Department, and like a transplant the Department rejected it, didn't want it. So we decided this time that we would creep up on it. The approach was that the first little wedge was to be the goals and objectives that the missions had to do. There were no particular guidelines for these reports. You could do it anyway you wanted and it was accepted. It was used by the inspectors but really not paid much attention to. The first step was to regularize that and to take those goals and objectives and modify them into what we called a mission program plan. This went out to the missions and required them to come up with something that would make them say what were their high priorities and, most importantly, their low priorities were. How many resources they allocated to them and what their goals were for doing this. What could we see at the end of the year. Well, nobody could figure out how to do that the first couple of years. But we kept doing it and they would get a little better. There was a marvelous guy in charge of this program, Rick Williams, a civil servant who had come from being a planner in an international organization in Vienna.

The next step was to superimpose on that a bureau program plan, for the regional bureaus to begin with, under which you would amalgamate all these mission programs and then require the bureau to set some priorities in the same fashion, also hopefully to use the

mission programs as a dialogue between the bureau and the ambassadors. Anyway, the bureau plan would bring that together and we would begin to see some regional priorities develop.

Finally, the capstone of this project would be a Department program plan under which you would hopefully have the Secretary set up what his real priorities are so that you could begin to say, “I am sorry ARA, we are going to have to take some money away from you and give it to EAP,” or whatever the case may be. And also on the bureau plans starting with the regionals and then moving to the functional bureaus and finally to the support bureaus, so they all have to be part of this plan. Actually that process has now reached the stage where Strobe Talbott convoked a meeting of assistant secretaries and others from all bureaus just a couple of weeks ago to really put emphasis on the program planning process for this year.

Q: Strobe Talbott is number two in the Department of State.

DILLERY: Let me mention one argument against planning. In 1987 when I first arrived in M/MO, the first thing that faced me was that the Secretary was informed in August a few days after I got there, that we were going to have a $74 million shortfall in our S&E for FY 88.

Q: S&E meaning salary and expenses.

DILLERY: The operating fund from for the Department. And he said, “Oh, we will have to cut back and please give me some ways.” It happened that the Under Secretary for Management wasn't there that day and he turned this over to the Deputy Secretary who asked the Comptroller to find some savings. The Comptroller came up with a list of $74 million, which all Comptroller can do. And we charged off on this within a day. I thought if we were going to do this...$74 million was a lot of money in those days...the Secretary ought to really tell the people of the Department, since this was his decision he ought to give a speech. He did give a speech to employees in the Dean Acheson Auditorium and

was so effective actually in this that he got the $74 million back from the Congress when the appropriations finally were agreed. Then, in the House/Senate conference they made a typographical mistake and gave us $30 million more. That was the time of the Grove (for Brandon Grove) report, and again this is my interpretation, the Department would never agree with this. What finally happened was that we were left with the requirement to show that we were cutting $74 million when we actually had $30 million more and Brandon Grove did a wonderful job of developing a program under which we did exactly that.

This illustrates the point that you made about the shortness of resources, we really weren't short of resources. But that is not going to happen now. I think with the Gramm-Rudman, Hollings and the budget agreements, the caps, the specific allotments for the appropriation committees, all these new ways to limit spending, that we are in a situation where we won't get away with that anymore.

For example, there are no supplemental appropriations anymore. You used to be able to do a supplemental at the end of the year when you came up short of money but you can't do that anymore. So, as a result of that I think both that, the end of the Cold War, and just the emphasis on domestic spending means we are going to be constrained. So it was easy enough not to worry about planning when you had an expanding resource base but when you have a contracting one you had better start getting your priorities in mind. So that was what I had a hand in — setting up a planning process that is beginning to work — and I like to think as my biggest contribution.

Q: What have you done since then?

DILLERY: After that in 1992 the question of United States broadcasting had become a political issue. The specific issue being, this was now following the end of the Cold War, or certainly the Eastern European phase of that, do we still need Radio Free Europe and Radio Liberty. Congress passed a law which required the President to set up an independent commission to take a look at that. It was chaired by John Hughes,

former Assistant Secretary for Public Affairs in the Department, who left to run his own newspapers, he had been a reporter for many years. He asked me if I would be the executive director of that commission. The job lasted about a year. It was a small staff. Myself, a deputy, who was a political appointee, and a secretary. We had to pull together the commission which meant finding space, getting machines, having our letterhead printed, getting a budget set up, getting security clearances for the commissioners (eleven commissioners), arranging for their travel. Then we did briefing material for them, set up hearings with outside experts, arranged a trip to Munich for them so that they could see Radio Free Europe and Radio Liberty, and finally writing the report and getting it published. We did that and the report got out on time. Basically they recommended that the Radios be continued on the grounds that democracy was still so nascent in Eastern Europe in particular...by this time the Soviet thing had changed as well...and remembering that the idea of Radio Free Europe and Radio Liberty was that we were going to give the countries behind the Iron Curtain news about themselves that they couldn't get from their own people.

Q: Yes, the Voice of America was essentially about America. Whereas these radios were to report...

DILLERY: And the big debate was should all these things be turned over to the Voice of America. This was in an administration that was very amenable to the radios. They are governed by the independent Board for International Broadcasting and Malcolm Forbes, Jr. — Steve Forbes — was the head of it at that time.

So the decision was that they should continue to operate but they should be continuously reviewed. They should not be amalgamated with Voice of America.

We were asked also to look at the question of Radio Marti and TV Marti. The Commission questioned the value of TV Marti but suggested that Radio Marti was worthwhile.

Finally, as an afterthought, we looked into the question of establishing the same kind of radio for China as we had for Eastern Europe and the Soviet Union. So there is a portion on that in the report in which they recommended that indeed there should be such a radio, even though in that case the Voice of America was seen to have done a very good job in reporting on events of Tiananmen, etc.

So, I did that for one year. Shortly after that happened, I guess because I had experience in doing commissions, my name was given to Nick Veliotes, who was Chairman of another committee which Congress mandated which required the Secretary of State to review what had been done in the personnel field, specifically on the Thomas Commission Report of a few years back and to determine whether those recommendations had been implemented, if not, why not and should they be. I did the same kind of work for that and we produced the Veliotes Report which came out in December, 1992. That was a seven person commission and we did exactly the same kind of thing with them. There was a little more overseas travel. A number of the people on the committee had never seen a mission or a consulate and we felt if they were going to have informed views on this they should at least see it. So we sent three of them to Latin America and three to Africa, with a stop in Paris on the way so that they could see a large embassy.

I was then actually in the process of getting ready to retire in the spring of 1993 when Brian Attwood — the new Under Secretary of Management in the Clinton Administration, asked me if I would set up a new office of management planning. It was sort of responsive to a recommendation that had been made in a report commissioned by Under Secretary Selin in the last days of the Bush administration which produced a report called “State 2000” A transition team came when President Clinton won...a number of organizations like Carnegie, Georgetown Institute for Diplomacy, and to go with the Department's own State 2000 effort. One of the recommendations of State 2000 was that there be a planning office set up to look at long term management issues. He didn't follow all that but Brian Attwood

decided he wanted to have a small planning office and asked me if I would be the director. I agreed to do it but only for one year. And that is where I am just now.

Q: Well, why don't we stop at this point. Thank you very much.

End of interview